COMBATING CHILD POVERTY AT THE LOCAL GOVERNMENT LEVEL IN AUSTRIA AND BELGIUM

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Abstract

In line with the social investment paradigm and the European Pillar of Social Rights combating child poverty is an ongoing topic in the European Union. Belgium and Austria have child poverty rates of more than 20%. Both countries share that they are federal states with a corporatist welfare state tradition. In the fight of breaking the cycle of disadvantages for children, local governments are increasingly involved in combating child poverty in a multi-level governance context. Against this background, the paper compares the local collaborations of public, social and solidarity economy partners on the policy design and the service provision level to combat child poverty in four cities (Antwerp, Ghent, Linz, Vienna). Our findings show that the discrepancies already begin with vertical political decision-making competencies. While the vertical policy making competencies in the two Flemish cities are higher, only Ghent has a local anti-poverty plan. Social and solidarity economy partners are asked to provide an input. On the service provision level, the Flemish cities have established professional service provider networks to combat child poverty and therefore put more resources in a collaborative approach and common actions. In the two Austrian cities service provision is more fragmented among the public and the social and solidarity economy partners. On a positive note, service provision in the two Austrian cities covers to a greater all age groups (pre-school children, school children and disadvantaged teenagers/young adults in the challenging transition to the labour market).

Keywords: child poverty, rescaling of social policies, social investment, social and solidarity economy, policy design level, service provision level

JEL-Codes: H75, I24, I30, O57

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1. Motivation and Research Questions

Back in 2010, the EU (European Union) member states committed themselves to reducing poverty by 20 million people, by 2020 to 96.1 million EU citizens, a target the member states failed to reach. The Corona pandemic made this ambition aim even more unrealistic. Among the poverty risks, child poverty is a pressing issue in the European Union. Recent statistics show that in 2018, 23.8% of children (0 to 16 years) in the EU-27 countries were at risk of poverty or social exclusion (Eurostat, 2019). Austria and Belgium are two states of the European Union, where the Gross National Product (GDP) is well above the EU-average, but they are also countries where poverty rates in cities are consistently higher than in rural areas (Eurostat, 2019). In the two focus countries, Austria (AT) and Belgium (BE), the current child poverty rates are 21.2% (AT) and 23.2% (BE) (Eurostat, 2019). Child poverty means that the children live in households which are at risk of poverty or social exclusion. Statistical data show that children of such households have a much higher risk of being poor later in life, suffer from a poorer health status or have fewer chances of educational success.

Concerning the design and delivery of social service policies, two inter-twinned developments can be observed. The first is that EU social policies are guided more and more by the idea of the social investment state. In the mid-1990s, the social investment idea gained popularity and was put on the agenda by researchers (Esping-Andersen et al., 2002; Giddens, 1998; Morel et al., 2012; Vandenbroucke et al., 2011) as well as politicians and international organisations (European Commission, 2013a, 2019b; OECD, 2012). In 2013, the European Commission (2013b) issued a recommendation to the member states entitled “Investing in children: Breaking the cycle of disadvantage” which was target at reducing child poverty.

The second development is a rescaling of social policies and, along with that, also a localization of welfare state arrangements (Kazepov, 2008, 2010; Andreotti et al., 2012; Martinelli et al., 2017). Under rescaling aspects, the welfare state is viewed as a multi-governance system (in terms of regulation, governance mechanisms, policy-making and policy-implementing competences). Local governments are increasingly confronted with having to deal with complex social problems, among them, the fight against child poverty. Andreotti et al. (2012, p. 1934) introduced the concept of the local welfare system, referring to the welfare system in a municipal territory or metropolitan area. On the local level, a variety of institutionalised public, non-profit, or for-profit actors as well as citizens interact in a dynamic way in the fields of social policies. The localization of welfare state arrangements is advocated with the following main arguments: Firstly, it is regarded as more effective because “in complex societies individual needs are met with higher accuracy by welfare policies which are tailored more closely to their specific context” (Andreotti et al., 2012, p. 1926). Secondly, the local provisions are regarded as more participatory and thirdly, mobilizing resources for welfare needs from local economic actors and social groups are considered to be easier (Andreotti et al., 2012).
Under rescaling and localization aspects, Austria and Belgium are both countries with a three-tier governmental system. Both states also share a corporatist welfare state tradition. While there is a broad body of literature evaluating national policies in various fields of social policies, the impacts of the rescaling of social policies down to the local government level is much less studied (Andreotti et al., 2012; Arvidson et al., 2018). Austrian and Belgian municipal governments are confronted with the implementation of nationally and regionally designed anti-poverty policies. On the local level, social services to combat (child) poverty are provided in close collaboration with various local actors, most prominently non-profit service providers. Here, the idea of co-production or collective service provision comes into play (Lapoutte, 2018; Bance, 2018; Greiling and Schinnerl, 2018). In the area of local anti-poverty services for combating child poverty, co-production networks between local governments and non-profit service providers or, as Bance et al. name it, Public and Social and Solidarity Economy Partnerships (PSSEPs) (Bance, 2018; CIRIEC and Bance, 2018) are gaining importance. Against this background the paper focuses on the following research questions:

1. How is the local collaboration of local public, social and solidarity economy partners in Austrian and Belgian municipalities organised in the fight against child poverty on the policy design level?

2. How is the collaboration of local public partners with the social and solidarity economy partners in Austrian and Belgian municipalities organised in the fight against child poverty on the service provision level?

To address the research questions, the paper provides in section two an overview of the idea of the social investment state, followed by the European Commission recommendation to combat child poverty (EC, 2013b). Also, a brief introduction of governance modes for PSSEPs is provided. In section three, the methodology is described. Method-wise, the paper is based on a comparative case study approach with interviews and documentary analysis (both academic and non-academic). Concerning the empirical findings, firstly, the implementation of the EU social investment recommendations for combating child poverty in the national multi-level governance context is evaluated. Secondly, the result section reports on municipal approaches for combating child poverty in two Austrian and two Belgian cities. Although similar in the welfare state tradition and the governance levels, the study identifies local variations in the implementation of policies to combat child poverty, in particular on the service delivery level. Section five discusses the results with respect to similarities and differences. This section also includes the answers to the research questions, policy conclusions and directions for further research.
2. The Social Investment State and Governance Modes for PSSEPs

2.1. Social investment state: the theoretical approach

In social policy there has been a paradigm shift leading which brought along the social investment idea which heavily influenced EU policies to combat child poverty. Anthony Giddens (1998) put the social investment state in the context of a Third Way between Neo-Liberalism and Keynesianism. This means that the social investment state is supposed to replace spending on social transfers by investment in human capital – e.g., education, to break the intergenerational transmission of poverty and social exclusion. With his Third Way Giddens (1998) asks for more decentralization and advocated, in line with New Public Management, a new division of labour within the PSSEP, which sees the state in a commissioning role for a private provision of social services. In contrast to Giddens, other authors such as Gøsta Esping-Andersen et al. (2002) have distanced themselves from neoliberal ideas making the social investment idea much more compatible with the Scandinavian welfare state tradition. Esping-Andersen et al. (2002) focus on the new social risks and therefore, their point of departure is the financial stability of the pension scheme, which is to be achieved through early investment in children’s human capital and greater participation of women and the unemployed in the labour market. While Giddens (1998) talks about reduced benefits, private provision and decentralization, Esping-Andersen et al. (2002) try to combine benefits and activating measures to combat poverty and social exclusion. The provision need not to be by non-governmental actors. Investments in the next generation are particularly promising, according to Olk (2007), as investing in the human capital of children promises the highest benefit in the future. Therefore, children are a crucial target group of social investment policies. Investments in early childhood education (and care) moves to the centre of family policy approaches in the sense of starting early with interventions for a sustainable promotion of "human capital" and "employability". Esping-Andersen’s child-centred focus aims at universal high-quality services for all children. With his child-centred investment strategy, the modern welfare state tries not only to counteracting the inheritance of social inequality and exclusion, but also uses preventive strategies to ensure the future viability of its society and thus increase the life chances of its citizens (Ferrera, 2010).

2.2. The European Commission concept of the social investment state for breaking the cycle of disadvantage for children

The 2013 recommendation of the European Commission (2013b) regards policies and services for breaking the cycle of disadvantage for children as a crucial investment in the future of Europe. In economic terms, children are the target group in the fight against poverty. The 2013 recommendation stresses the importance of a children’s rights-based approach with a focus on promoting equal opportunities so that
all children can realise their full potential (European Commission, 2013b). This includes an integrated strategy with a strong preventive approach and, therefore, policies that go well beyond ensuring children’s material security. EU-member states are urged to develop strategies based on the following three pillars, displayed in table 1 (European Commission, 2013b).

**Table 1: Key elements of the EC recommendations: Investing in children**

<table>
<thead>
<tr>
<th>Pillars</th>
<th>Actions</th>
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| One: access to adequate resources            | Support parents’ employment  
Provide adequate living standards through a combination of benefits                                                                 |
| Two: access to affordable quality services   | Improve early childhood education and care (ECEC)  
Improve education system’s impact on equal opportunities  
Improve the responsiveness of the health system to address the needs of disadvantaged children  
Provide children with a safe, adequate housing and living environment  
Enhance family support and quality of alternative care settings |
| Three: children’s right to participate       | Support the participation of all children in play, recreation, sport, and cultural activities  
Put in place a mechanism to promote children’s participation in decision-making that affects their lives |

Source: authors’ own compilation based on European Commission 2013b and Daly 2019, p. 7

Concerning the understanding of childhood, the 2013 recommendation focused on toddlers, pre-school children, school children and the first integration of school leavers into the labour market. Unlike Sen’s ethical approach who sees poverty as a capability deprivation (Sen, 1999) and stresses the lack of freedom of choice, the EC 2013 recommendation puts the fight against child poverty much more in the context of a barrier for economic growth, caused by social exclusion. Within the social policy for reducing poverty, many European member states have focused on the so-called NEETs (teenagers and young adults under 25 who are Not in Education, Employment or Training). The EU labour ministers introduced in 2013 a Youth Guarantee. A European Child Guarantee, as called for by the European Parliament in a resolution of 25 November 2015, also directs the spotlight on the poorest children. The Child Guarantee includes free access to quality early childhood care and education, health services, education at school age, decent housing, and adequate nutrition for every child in poverty (Daly, 2019).

A 2019 evaluation for the European Parliament comes to the conclusion that only a minority of the member states have a comprehensive strategy so far and identifies the importance of financial transfers and tax benefits, the importance of labour market integration of parents and the anti-poverty effect of ECEC and family services as important areas for improvement (Daly, 2019).

That there is still a lot to do on the part of the EU member states, in order to break the vicious cycle of child poverty, shows a 2019 report by Eurochild, an umbrella origination of non-governmental organisations engaged in this field. Eurochild (2019)
published a report on “New opportunities for investing in children”, as an input for
the official 2019 European Semester Report. Again, the focus was on national ap-
proaches. The report urges to improve the efforts to reduce child poverty and
demands that it should be made as an urgent priority within Europe.

2.3. Governance modes

Looking at the various governance modes for organising collaboration in PSSEPs,
we see that the oldest is the bureaucratic model, which relied on the logic of appro-
priateness and compliance with rules and regulations. In many European welfare
states, provision of social services was dominated by a few privileged large non-profit
organisations (Andreotti et al., 2012; for Austria: Greiling and Stoetzer, 2015). The
infusion of New Public Management and its focus on the logic of the market and the
logic of consequences for the provision of social services, resulted in changes in the
relationship between the public sector actors and the non-profits (Greiling and
Schinnerl, 2018). For public action this meant a top-down conception of public action
with the national, regional and local governments or governmental (single-purpose)
agencies imposing their performance criteria on the non-profits (Bance, 2018).

Moving on to the Public Governance approach with its idea of co-creation, the idea of
a partnership for organising collective action was re-discovered. Additional to insti-
tutionalised actors, the role of citizens as co-producers has been gaining relevance for
the local welfare provision. While the involvement of citizens as co-producers of
common goods is much better addressed in research (e.g., Brandsen et al., 2018),
there is a lack of international comparative papers, which focus on the co-production
of institutionalised actors, in particular on PSSEPs, on the local level for combating
poverty.

According to Bance (2018), PSSEPs again offer opportunities for the co-construction
of collective actions. For the design and implementation of social policies to combat
child poverty, this results in a rediscovery of a more collaborative approach with a
reliance on trusting relationships and co-creation capabilities (Lapoutte, 2018). Joint
problem-solving of complex societal problems, which is based on a dialogical sense-
making process, and takes into account the specific resources and co-production
potentials of the partners, are ideal-type elements of such a collective action, which
leads to a deliberate co-creation (Lapoutte, 2018). The Public Governance approach
for organising public action relies on the resources of public, non-profit and private
(for-profit enterprises and citizens) actors.

For organising the collaboration between the non-profit organisations as important
service providers and the public sector in PSSEPs, the academic literature on network
governance offers various models. This paper uses models by Provan and Kenis (2008)
who distinguish between three types of governance models in networks with a public
partner involvement, namely a participant-governed network, a lead-governance
network and a network administrative organisation. For Provan and Kenis
(2008, p. 230), governance is “the use of institutions and structures of authority and
collaboration to allocate resources and to coordinate and control joint actions across
the network as a whole”.
The *participant-governed network* is the one which is most in line with Lapouitte’s ideas for organising common actions. The decision-making power is equally distributed among the network partners and decisions have to be approved by all network partners. The power distribution is more or less symmetrical, although administrative and coordinative tasks can be performed by a subset of the full network (Provan and Kenis, 2008). For the design and delivery of local policies to combat child poverty this would mean that a local anti-child poverty plan is designed by a multiple local actor network. Regarding service provision, in participant-governed networks, this would mean that the service provision is also collectively organised and coordinated by all network partners.

In a *lead-organisation network* a partner exists, which takes charge and governs the collaboration between the network partners (Vermeiren et al., 2018). All major network activities and key decisions are coordinated by a single member, resulting in a centralised network and an asymmetrical distribution of power (Provan and Kenis, 2008). In the fight against child poverty, the public partner often has the role of the lead organisation. On the local level, this can be either a local government administration or a local government agency. In Belgium local public welfare authorities may serve as an example. In Austria, the local social administration or the local administration for children and youth are examples of such lead organisations.

In the case of a *network administrative organisation* (NAO) an entity exists which has the exclusive task of coordinating and sustaining the network as a network broker. The network is externally governed by the NAO which is a service provider for the network and does not produce a social service (Provan and Kenis, 2008). For the local actions to combat child poverty this means that the network administrative organisation acts as a broker between the different network partners (Vermeiren, 2018). This approach is only suitable for the service-delivery part of local anti-child poverty networks. For designing local social policies, this model is not appropriate, as the network administrative organisation lacks the decision-making power.

### 3. Methodology and Sample

In order to get an in-depth insight into local government practices, the paper uses a case-study approach. The paper employs a multi-method research design (interviews and documentary analysis). In line with a qualitative research approach, individual municipal approaches are compared, based on both, deductively and inductively identified criteria. The Austrian findings are based on 53 interviews with politicians, local administration staff, managers of local public enterprises plus representatives from non-profit service organisations and non-governmental organisations. The Belgian findings are based on 19 interviews. All the interviews were transcribed and coded. In addition, the interview partners provided us with written material and for each city, complemented by an analysis of publicly available documents. At first local government and local administration representatives were contacted in all four cities. They were asked about good practices in the cities’ fight against poverty. Then the
mentioned non-profit entities were contacted for gaining a deeper insight into the
good practices.

To get an idea how the social investment paradigm is adopted at the local level and
for evaluating similarities and differences the approaches in four cities are compared.
The Belgian cities (Antwerp and Ghent) are both located in Flanders, which has a long
tradition in initiatives to fight child poverty (Vermeiren et al., 2018). Based on a
special analysis of 2014 regional EU-SILC data, Guio and Vandenbroucke (2019)
position Flanders in the group of best-performing regions (together with Luxembourg,
Slovenia and Switzerland and the four Nordic countries) with respect to fighting
against child poverty.

The four cities were chosen because they all have an explicit focus on reducing child
poverty. Linz and Vienna are the two Austrian cities where the Austrian interview
partners provided us with good practices for reducing child poverty. Linz is the
regional capital of Upper Austria and the third biggest city in Austria. According to the
statistics of the Austrian Staedtebund (2018), 24% of the children in Linz lived in
poverty or at risk of poverty and in Vienna 25% in 2018. There are no comparable
statistics available in Belgium.

Antwerp is the capital of Antwerp province in the Flemish Region. At the time of the
interviews in early 2019, the Flemish nationalist party was part of the city gov-
ernment. According to our interview partners, child poverty in Antwerp is higher than
in Ghent. The Flemish statistics only account children under three on the local level:
In 2017, 29.6% of the children under the age of 3 grew up in poverty in Antwerp
(Vermeiren, 2018, p. 116). Ghent is, with its 262.291 inhabitants in 2019, the second
largest city in Flanders. The interview partners stressed long social democratic and
green tradition in the fight against child poverty, which was guided by a rights-based
approach. Based on the Belgium EU-SILC statistics, the local administration estimated,
in an interview in 2019, that the child poverty rate in Ghent is around 18%.

4. Findings

The presentation of the findings is structured as follows: Firstly, the fight against
child poverty is analysed in a vertical multi-governance context. That part also
includes an evaluation of the progress in Austria and Belgium concerning the
implementing of the 2013 social investment concept. A second subsection focuses on
the policy approaches and good practices in the four focus cities. In line with the
above-presented governance modes, the PSSEPs will be evaluated on the policy-
making level, in particular whether there are local anti-child poverty plans and who
designs and evaluates them. The localization of the service provision of the EU social
investment state will also be presented. Here, a special focus will be again on PSSEPs.
4.1. Combating child poverty as a hierarchical multi-level governance approach in Austria and Belgium

4.1.1. Austria

As regard national and regional plans to reduce child poverty, Austria has neither a national anti-child poverty plan nor have the regional states such plans. With respect to the policy-making competences on the multi-governance level, there is a lack of hierarchical coordination. The fragmentation already starts at the federal level. Here, the competencies to combat child poverty are divided between various federal ministries with the Ministry for Families and Youth in a coordination role. On the regional state and the municipal levels, the fragmentation of policy designing competencies, which potentially concern child poverty and child well-being, continues. Fink and Muerzl (2017) conclude that decision-making is rather fragmented and does not follow a common understanding of children’s well-being. It is dominated by an “incremental adoption according to logic and particular interests in the different policy areas” (Fink and Muerzl, 2017, p. 4).

With respect to legislative and policy design competencies, it was a re-occurring topic in the Austrian interviews that the cities are the last in the line of decision-making and are, therefore, often reduced to carrying out policy programmes designed elsewhere, that means the higher-up levels of government are more powerful.

Regarding the three pillars of the 2013 European Commission’s ideas for breaking the cycle of disadvantage for children, the evaluations for Austria show for pillar one (access to adequate resources) that a challenge exists with respect to the labour market integration of mothers (Buber-Ennser, 2015; Fink and Muerzl, 2017). The penalty of motherhood is high in Austria when it comes to full-time labour market integration.

An adequate provision of institutionalised affordable childcare facilities is a precondition for the labour market integration of families in poverty. The quantity of institutionalised childcare facilities is smaller than in Belgium. Furthermore, in Belgium institutionalized childcare starts earlier. 54% of the children between 0 and 3 attend an institutionalized childcare facility versus 20,0% in Austria (Eurostat, 2019). Moving on to the child benefit system we see that the universal system is not means-tested. The level of additional means-tested child benefits varies across the nine regional states in Austria.

Concerning pillar two, the main responsibility for ECEC rests with the nine regional states. The decentralised responsibility for ECEC across the nine regional states poses a great challenge, leading to quality variations between the nine regional states (Charlotte Buehler Institute, 2016). The responsibilities are fragmented as different administrations are responsible for school and pre-school children on the level of the regional states. For Austria, an innovative element is the fact that in the last year before school starts, a free of charge kindergarten year is obligatory (16 to 20 hours per week on four days). The obligatory kindergarten year is part of the Austrian Lifelong Learning Strategy (Charlotte Buehler Institute, 2016). Since 2012,
an agreement between the federal government and the nine regional states has existed, which puts an emphasis on language learning support for 3 to 6-year-old children with insufficient knowledge of German. Pre-school children are tested in their German language proficiency. Although the programme is targeted at all kindergarten children, the programme aims, above all, at improving the German language skills of kindergarten children with a non-German speaking background which face a particular poverty risk.

As regards initiatives for early school leavers, Austria has, like many other European countries, implemented programmes for NEETs in order to foster labour market inclusion. Low educational achievements, a lack of training and low work intensity are factors which significantly increase the risk of being poor. Austria introduced compulsory education and training up to the age of 18 back in 2016, much later than Belgium. Education and training are defined in a broad sense and includes internships and vocational trainings organised by the Austrian Federal Employment Agency (AMS), apprenticeships, internships, employability courses and further schooling. The Corona pandemic led to a step increase of youth unemployment.

Concerning pillar three, the Eurochild Report (2019) criticises that Austria discontinued its efforts for a national action plan for children’s rights in 2004. Fink and Muerzl (2017) conclude that Austria has no tradition of any pro-active involvement of children in decision-making.

4.1.2. Belgium

Belgium is the country which used its 2010 EU presidency to put the fight against poverty on the European agenda. In line with that, the fight against child poverty is a key dimension of the Belgian Europe 2020 strategy (Schepers and Nicaise, 2017). Budgetary considerations have slowed down activities.

Unlike in Austria, family-related policy-making competencies are shared between the federal, regional and local governments in Belgium. The latter have gained competencies in anti-poverty policies, which are in line with the growing importance of a localization of welfare policies (Vermeiren et al., 2018). Compared to Austria, the Belgian regions have had much more competencies for designing their own social investment policies (such as child benefits and active labour market policies) since 2011 (Schepers and Nicaise, 2017).

Unlike Austria, Belgium has a tradition of national action plans to combat poverty (Schepers and Nicaise, 2017) since 2013. The national action plans are developed in close consultation with the three regional states, public welfare agencies and non-profit organisations (Schepers and Nicaise, 2017) and always included the fight against child poverty. The federated entities also have regional anti-poverty plans (for the three regions see Schepers and Nicaise, 2017). Within Belgian regions, Flanders has the longest tradition of combating child poverty.

Moving on to the evaluation of the three pillars of the 2013 EU recommendation on child poverty, Belgium has a persistent challenge due to the high percentage of poor children living in low work-intensive or quasi-jobless households (Schepers and Nicaise, 2017). With respect to pillar one, the 2019 EC Progress Report criticises that
the disincentives to increase their work intensity are still too high for the *quasi-jobless households* (EC, 2019a). The Belgium *labour market* is highly segregated. There are high barriers for poorly educated persons and migrants. The language competencies expected of labour market candidates are specially challenging in the capital region of Brussels, which has a persistent child poverty rate of around 40%. Like Austria, Belgium offers universal and means-tested child benefits. Typical for corporatist welfare states there are regional variations.

As regards the *quantity of institutionalised childcare* for poor children, Belgium performs much better than Austria, especially for the group of under three-year-old children. With 54% (in 2018) of children under three visiting institutional childcare facilities Belgian performs much better than Austria where only 20% of the children under three attended institutionalized childcare facilities in 2018. Since 2014, institutionalised pre-school childcare can only be provided in Flanders by licensed facilities, and up to 2017, 2,000 new places were created in Flanders (Schepers and Nicaise, 2017). To get a license, private childcare providers had to switch from (semi-)commercial fees to means-tested fees with the result that in 2016 74% of the parents paid means-tested fees. Means-tested fees help to make professional childcare more accessible for poor families.

In order to improve collaboration in PSSEPs, the federal government also launched a pilot project *Children First* back in 2011. The programme financed the creation of 57 local platforms that unite different initiatives and organisations in the (preventive) detection and fight against child poverty. (Schepers and Nicaise, 2017).

Regarding *pillar two*, Belgium and Austria are both countries, where children from academic households have better chances to successfully complete secondary education. For Belgium, Schepers and Nicaise (2017) conclude that social and ethnic inequalities in education remain extremely high. Regarding ECEC, the EC Country Report of 2019 (EC, 2019a, p. 38) mentions Flanders as a positive example as Flanders “has enhanced the staff-to-child ratio and supports increased enrolment and attendance by granting a premium to schools for each child of non-Dutch speaking parents to improve the child’s language skills. It also trains future pre-primary teachers in how to deal with deprivation and diversity”. The progress is less pronounced in the French-speaking communities, according to the 2019 Country Report by the EC (2019a).

Moving on to *family services* the Flemish ‘Houses of the Child’ offer a universal service for young families since 2003. Consultations for children “are free and open to any parent with children aged 0 to 6 years” (Nicaise and Schepers, 2015, p. 9).

Concerning *early school leavers*, Belgium has made some progress, but the EC 2019 Semester Country Progress Report diagnoses regional disparities. While Flanders with a rate of 7.2% was below the Belgium 2020 goal of 9.5% of early school leavers, Wallonia with 10.5% and the Brussels capital region with 12.9% of early school leavers in 2017 still have a lot to do (EC, 2019a, p. 38). The early school leavers’ rate is “particularly high for non-EU born young people (16.7%), and for young men in cities (14.4%)” (EC, 2019a, p. 38). In 2018 the percentage of NEETs was 9.3% and therefore below the EU-average (EC, 2019a, p. 71). The efforts towards improving literacy
among children with a problematic school career, and the full rollout of a dual vocational and training system in 2019 are seen as positive steps by the European Commission. To increase the effectiveness, Flanders has reformed its temporary work experience scheme for job seekers (with a lack of skills or no recent work experience). In Belgium pillar three has attracted significantly less attention, according to Schepers and Nicaise (2017) although Belgium has a strong commitment to a rights-based approach to combat child poverty.

4.2. City policies and services

4.2.1. Linz

In our interviews, child poverty was put into the context of inherited poverty. Family structures (multi-person households, single parents’ households) were seen as poverty increasing factors as well as having a non-German speaking migration background. Better labour market integration was regarded as a very important driver out of poverty. The anti-poverty policy in Linz is characterized by a prevention strategy in the sense that the anti-poverty prevention programmes should start as early as possible. On the political level, combating child and teenager poverty belongs to a strong commitment to a social policy focusing on children. Despite this strong commitment to the social investment idea on the policy level, Linz has neither a local anti-poverty plan nor a formalised social investment strategy for children. An overall city-coordinated policy approach across the various administrations dealing with the complex issue of child poverty, is lacking. There are no forms of institutionalised policy design partnerships with non-profits and other local actors to jointly develop such a strategy, nor is there any collaborative evaluation of the success of the city-wide local anti-child poverty policies. The limited policy-making competencies as a city in combination with a tight city budget were a reoccurring challenge mentioned by our interview partners. Within the local administration, various administrative departments are involved. Institutionalised cross-departmental co-operations are occasion-driven (e.g., potential loss of home, child abuse). The administrative sectoral separation extends to the collaboration with the socio-economic actors at the level of service provision. Looking at the target groups, initiatives cover all age groups (pre-school, school children and school leavers).

Concerning institutionalised childcare, the situation for pre-school children is much better in Linz than in the rest of Upper Austria. After the regional state of Upper Austria limited the free-of-charge kindergarten to morning hours, Linz implemented its own tariff-system for the afternoon hours. What parents pay depends on their income. The target group-specific element comes in via socially adjusted tariffs. The rising need of pre-school childcare places is an ongoing challenge for the financially strained municipal budget. It is also not easy to find enough kindergarten teachers. Regarding ECEC, Linz puts a special focus on improving the language skills of pre-school children in institutionalised childcare facilities. This is complemented by a variety of universal early help options, which are open to all parents and start when
the children are babies ("Gut begleitet von Anfang an! Frühe Hilfen - Well accompanied from the beginning! Early help or Haus für Mütter und Kind- (Home for mother and Child") which are both organized as PSSEPs. Linz also offers specialized services for poor children and their families with a migrant background (HIPPY - Home Instructions for parents of preschool Youngsters’ and service called ‘Nachbarinnen - neighbours’ target at migrant mothers with young children).

Regarding school children, the legal competencies of the city are scanty. Our municipal interview partners stressed the need to increase the places of institutionalised care, improve (free of charge) offers for pupils with learning difficulties and to invest more in school social work as a universal service. The provision of after-school care is open to all families and, therefore, a step to enable parents, irrespective of their socio-economic status, to improve their labour market integration. Tariffs are also socially adjusted. Special services are provided for poor school children in two projects, namely ‘Lerncafes (learning cafe)’ and a project ‘Schule im Park (school in the park)’ which has Roma children as a target group.

With respect to the group of young people searching for their first employment, Linz engages itself in offering education and training places as well as counselling and coaching for teenagers and young adults to improve the transition from school to the labour market. The list of best practices, identified by our interview partners, include Learn which is targeted at teenagers and young adults with an interrupted school career as well as Learn fit which prepares disadvantaged youngsters for their first job. Already back in 1997, the city of Linz founded a municipal association (‘Production school Factory’) to train and coach disadvantaged young persons in the transition period from school to employment. With the exception of labour market counselling (‘Kick’ and the AMS), the city has a clear focus on teenagers and young adults in poverty. With ‘Jobimpuls’ the City of Linz runs its own program for including young minimum income beneficiaries temporally in the provision of child and youth welfare services.

4.2.2. Vienna

The status of Vienna as the capital city and as a regional state has consequences for Vienna’s decision-making competencies for fighting poverty. Vienna is a city with a long tradition of social-democratic governments and pursues an anti-poverty policy that addresses all major poverty risk groups. Vienna is proud of its long engagement in combating poverty. Poverty is seen as a violation of a life in dignity. Financial assistance and special services have to go hand in hand with a preventive approach. Combating child poverty is one of the key focus areas. Like Linz, Vienna focuses on all age groups of children, teenagers and young adults in poverty. Concerning child poverty, single parent families, and poverty risks in multi-person households as well as inherited poverty were interview topics. Additionally, the situation of homeless children was addressed. Migrant women with dependent children and a low level of education were regarded as a particularly challenging group. Children, young adults and non-EU citizens have the highest poverty risks in Vienna.
With respect to collaborative policy-making to reduce child poverty, Vienna has no local poverty plan. In 2019, Vienna made a special commitment to the Principle 11 “ECEC” of the European Pillar of Social rights which shows the strong focus on affordable and high-quality childhood education. Unlike other Austrian cities Vienna offers 28,000 places for children under three, adding up to a coverage rate of nearly 50% (Stadt Wien, 2019).

The administrative responsibilities rests mainly with the Executive Councillor for Education Integrations, Youth and Personal. A prominent role in the city’s policy to reduce poverty has also the Executive City Councillor for Social Affairs, Public Health and Sports. Intra-administrative collaboration is very good, according to our interview partners. The Viennese municipal enterprises see themselves as strong partners of the city administration and collaborate in accordance with their specific mandates. Both, the public and the non-profit interview partners, stressed that there are good, long-established working relationships. The city of Vienna is also well-connected to other civil society actors and acts as an agenda setter in social policy networks. As a good practice example for joint strategic planning the ‘qualification plan 2030’ was mentioned which was co-designed by the Employment Agency, the federal Social Ministry, and the Viennese employee supporting fund (WAFF), the city of Vienna and the social partners.

Institutionalised childcare is free for all pre-school children and the current Viennese major, Michael Ludwig, announced in 2020 that there will also be free after-school facilities in the near future. Free of charge institutionalised childcare was described as being particularly advantageous for children from deprived families by our interview partners, but additionally it was seen as a precondition for increasing labour market integration, in particular of mothers.

The list of best social services mentioned by our Viennese interview partners as best practice examples includes as in Linz ‘HIPP’. With ‘HIPPY Plus’ the service is extended to the end of primary schooling. Financial Aid is provided for poor families when schools start again after the summer break ‘Aktion Schulanfang - School starter package’. The project ‘Lernen mit leerem Bauch (learning with an empty stomach)’ provides cold meals and basic housekeeping training for school children. Vienna also participates in ‘Nightingale’, an international mentoring programme for migrant school children. Students act as mentors.

Concerning early school leavers, Vienna offers two programmes to empower young minimum income recipients ‘Back to the Future’ and ‘Job NAVI’ with the later one exclusively targeted at young mothers. These two services are complemented by a programme called ‘Jugend College (Youth College)’ which is a large-scale programme provided courses for early school leavers in order to empower them to return to school or start working, capacity. Like in Linz, programmes for poor teenagers and young adults are seen as the backbone of an anti-poverty prevention strategy. Education is regarded as the most sustainable key to ending poverty.

Homeless families with dependent children are also in the focus of the Viennese municipal decision-makers. A change of approaches for combating homelessness occurred in recent years. While in the past family shelters were provided,
today’s approach is to get homeless families into housing and set up case management. Vienna also has programs for homeless teenagers. For this age group special case management is offered.

4.2.3. Antwerp

Flanders has a long tradition in making the fight against child poverty a top priority. The Flemish decree on local social policy considers the local governments as the main coordinating actors in the local welfare landscape. More specifically, local governments oversee the coordination of local needs and supply in the social sector. The responsibility for detecting gaps and overlaps in welfare service provision rests with the Flemish local governments. Together with the local PCSWs, the local governments are supposed to provide and offer well-functioning and accessible services to their citizens.

As already mentioned, in 2011 the Belgium state started to support the formation of local service networks with the local welfare agency as a lead organisation. In both focus cities local service provision networks to reduce child poverty exist with the PCSWs as the lead organisations. The local PCSWs are responsible for the implementation of the Right of Social Integration.

For the coordination within these PSSEPs, the lead organisation appoints a network coordinator who acts as a broker between the lead organisation and the other participants (Vermeiren et al., 2018).

With regard to the local context, in Antwerp the problem of child poverty is strongly linked to the unemployment of parents, according to our municipal interview partners. The child poverty rate is particularly high in the quasi-jobless households. Another challenge of Antwerp is that 25% of all (non-EU) migrants in Belgium come to Antwerp. The labour market integration of early school leavers also presents a challenge. Our interview partners regarded education as the key to getting children out of poverty.

According to our interview partners from the city of Antwerp, there is no local anti-poverty plan.

Since the 1990s regular welfare meetings have been held in various districts of Antwerp to improve the coordination among social service providers. As a network analysis of Raeymaeckers and Kenis (2016) of three district networks shows, these included organisations offering services targeted at vulnerable families. Participation in these networks is voluntary. In all networks the local PCSW is involved as a central organisation. The aim of the networks is to provide better service for the multiple problems of their clients (Raeymaeckers and Kenis, 2016). Beyond exchanging information, the networks aim at improving the collaboration between the providers and to overcome the danger that social service organisations live on isolated islands (Raeymaeckers and Kenis, 2016, p. 413).

The list of good practices mentioned by our interview partners from Antwerp in 2018/2019 included services for pre-school children (‘Gezinscoaches03 - Family Coaches 03, Spring Mee! and Instapje’). The focus of all these as PSSEPs organized services is on vulnerable families with small children. Vermeiren (2018) characterises
the ‘Family Coaches’ as follows: “Family Coaches is a network among generalist and specialist service providers that focuses on preventive, generalist and accessible counselling for deprived families with small children. The main strength of this project is the connection that is made between generalist and specialist services and the link that these professionals maintain with their own organisations” (Vermeiren, 2018, p. 117). ‘Spring Mee!’ offers an intensive coaching for parents with toddlers for one year. The service focuses on vulnerable families. Instapje provides for the same target group support for parents and children before the kindergarten starts. Antwerp has 14 Houses of the Child which provide services accessible for all families with children under three. The ‘Houses of the Child’ are physical meeting places, which provide a variety of services, starting with pregnant women and health services for new-born children. This is complemented by leisure time activities for children and meeting opportunities for parents as well as financial assistance for families (Vermeiren et al., 2018). Additionally, they are a low-threshold opportunity for families in poverty to contact a variety of social service providers (Vermeiren et al., 2018; Dierckx et al., 2019). Compared to the ‘Family Coaches’, the access point via the ‘Houses of the Child’ requires more self-organisation from the vulnerable families. Moving on to school children, the city of Antwerp has a ‘Child poverty fund’ which provides a financial support (maximum € 300 per child) for poor children for school-related expenses. The Buddy project is a mentoring project targeted youngsters between 17 and 25 years. NEETs between 18 and 26 are the target groups of the ‘Experience project’ which focuses on volunteering as a possible step into work.

4.2.4. Ghent

According to our interview partners in the city of Ghent, poverty is a multi-dimensional challenge, affecting a variety of life domains. Families with children, single-parents and young adults aged 18 to 24 are the main risk groups. The municipalities estimated that around 9,000 children live in poverty. Housing costs are another driver of poverty in Ghent. Poverty rates in the historical part of the city are particularly high and territorial segregation is also an issue in Ghent. Policy-wise, the municipal interview partners stressed that there is a strong focus on young adults in addition to children. Above all, the aim is to have a profound long-term impact and to ensure that the spiral of poverty is broken inter-generationally. The municipal approach is driven by progressive universalism providing more support for those who need more. As in the other cities, education is seen as a key to getting children and young adults out of poverty. Most of the money for combating poverty comes from federal or regional funds but the city of Ghent also uses local taxes to provide financial assistance in urgent cases. Ghent has a local anti-poverty action plan, and one of the 15 domains focuses on child poverty. The local action plan has been developed in cooperation between municipal actors, social service non-profits and a non-profit formed by persons who have experienced poverty. The PSSEPs were involved in a counselling role at a later stage. The local PCSW plays a key role in designing the local poverty plan. Furthermore, the city of Ghent has a strategy regarding children and adolescents
under the title ‘Ghent: a child and youth-friendly city’ (CYFC). With the action plan, Ghent intends to be the most child- and youth-friendly city in Flanders. A further ambition of this strategy is combating child poverty and youth unemployment, and focusing on accessible, affordable and high-quality childcare. There are fourteen main goals, most of them having a universal orientation.

In the city of Ghent, a voluntary network against poverty exists with the municipality and service non-profits as the main stakeholders. Once a year, an extended group of stakeholders, including representatives from schools and the local public health organisation, come together. Furthermore, once a year there is a dialogue between those who live in poverty and local policy makers. Concerning the provision of social services, Ghent has a municipal director of policy who is responsible for all poverty reduction programmes. Within the city administration he coordinates all intra-organisational collaboration in the areas of minimum income benefits and social rights. Another central coordination actor is the local PCSW, the lead organisation in local service provision networks for combating (child) poverty in line with the local anti-poverty plan.

Ghent also had Family Coaches, which have been replaced by a Flanders-wide ‘One Family – One Plan’. According to our interview partners, ‘One Family - One plan’ is again an initiative by the Flemish government aiming at empowering poor families to get out of poverty. The plan should be tailor-made to the special needs of each family and aims to overcome the fragmented service provision. By now this policy is also implemented. The local welfare (PCSW) authority is expected to mobilise all the professional services needed by each family.

The city does not have the same number of ‘Houses of the Child’ as Antwerp. Compared to Antwerp, Ghent makes more use of district social centres. The list of best practices mentioned by our interview partners also included the action of social workers in deprived school districts. To deal with the specific challenges for vulnerable young adults, the local PCSW has specialised social worker for this age group in every district. The main aim is to get the young adults in training and education.

At the time of the interview in 2019, 750 young adults received financial assistance in the form of minimum income benefits enabling them to continue their education.

5. Discussion and Conclusions

A comparison of the challenges along the three pillars of the 2013 EC social investment recommendations for combating child poverty shows that the two countries have overlapping but also different challenges in pillar one (access to adequate resources). Belgium faces persistent challenges regarding the labour market integration of low-work intensive households with low secondary education or a migrant background. The exclusion already starts at the type of secondary school children attend. Austria is one of the countries where the penalty of motherhood is particularly high, irrespective of the education level. Both countries have invested a lot in the quantity and accessibility of institutionalised childcare. Belgium has a much longer tradition in institutionalised childcare facilities for children aged 0 to 3 years.
Both countries share challenges in the enrolment and attendance rate of children from poor families, despite their efforts with respect to means-tested tariffs. Both countries have universal child benefit systems above the EU average.

With respect to pillar two (access to affordable quality services) both countries have made progress regarding the ECEC, with the challenge to reach children from low income or migrant families remaining hard to meet. While in Austria a compulsory free of charge kindergarten year exists for the five-to six-year-old children (Austria-wide for the morning hours), Belgium does not provide free of charge kindergarten services. Compared to Austria, Belgian local service provision for reducing child poverty are to a higher degree family-centred.

With respect to pillar three (children’s right to participate) both countries have some homework to do to promote participatory decision-making involving children, irrespective of the children’s socio-economic status.

With respect to research question one (‘How is the local collaboration of local public, social and solidarity economy partners in Austrian and Belgian municipalities organised in the fight against child poverty on the policy design level?’) discrepancies start already with the vertical policy-making competencies. The level of vertical decentralisation of policy-making competencies to the local level is higher in the two Belgian cities.

Unlike in Austria, Belgium has national and regional anti-poverty plans. These plans are developed in collaboration with PSSEPs. The final decision-making power rests with the public partners. Therefore, the decision-making powers are not symmetrical and not in line with a fully participatory governance model. Reducing child poverty has been a long-term strategic goal in Belgium at all government levels.

Regarding the local level we see that Ghent is the only city which has a local anti-poverty plan. The lead organisation for designing such a plan is the local PCSW. The PSSEPs are asked at a later stage to provide an input. The local anti-poverty plan is, like the regional and the national one, an example of joint action with the PCSW as the lead organisation. This has to do with the fact that the final political responsibility cannot be shared. An innovative approach in Ghent is that people who have experienced poverty are also involved in developing the local anti-poverty plan. In the area of designing local policies for combating child poverty Ghent has the most structured and coordinated approach. In Antwerp and Linz no explicit anti-child poverty plan exists, Vienna has formalised elements with its pledge to the principle 11 of the European Pillar of Social Rights and the ‘qualification plan 2030’, which was co-designed by municipal, regional and federal public partners as well as the chamber of labour and the chamber of commerce, who are also non-profits but do not specialise in programmes for combating child poverty. To include the so-called social partners in the political decision-making, has a long tradition in Austria.

All four cities lack any form of institutionalised PSSEPs for joint evaluation of their efforts in combating child poverty.

Regarding research question two (‘How is the collaboration of local public partners with the social and solidarity economy partners in Austrian and Belgian municipalities organised in the fight against child poverty on the service provision level?’),
both Belgian cities have established service-provider networks. In Antwerp and in Ghent the network approach is a precondition for addressing the challenge of family poverty less fragmented than in Austria. Only in Antwerp has participant-governed networks are established at the district level to bring a variety of non-profit organisations and public partners together with the aim of better inter-organisational collaboration in order to increase the effectiveness for their clients. Participation is voluntary and the PSSEPs offer a huge range of services. The Antwerp examples all have central players, among them the local PCSWs and for children’s health related issues the organisation “Child & Family”.

The second type of service provision networks in Antwerp and Ghent consists of professionals coming from various non-profits and municipal organisations, providing specialised or generalist services for combating child poverty and related parenting services (Vermeiren et al., 2018). Only in that case, the local PCSW is the lead organisation. The network partners are accountable to the local PCSW. For better coordination and, therefore, for providing an integrated service, each of these networks has a paid network-coordinator who acts as a broker between the service providers and the local PCSW. The network approach also results in a life domain focus which sees children and parents together and, as a result, it is more family-centred and not predominately child-centred.

A notable difference between the Austrian and the Belgian cities is, that the service provision in Linz and Vienna is pre-dominantly either in the hands of a municipal partner or a non-profit organisation. Therefore, both partners provide complementary services. To identify the level of collaboration in PSSEPs to combat child poverty, one has to move to the meso level and evaluate how the various organisation-specific services add up on the municipal level. Therefore, the service delivery in the two Austrian cities is far less integrated.

On a more positive note, the good practices in Linz and Vienna cover all age groups to a higher degree, from new-born children to young adults, addressed in the 2013 EC recommendation. Comparing services in Linz and Vienna, the number of good practices for school children was higher in Vienna. The Viennese good practices are more focused on minimum income recipients. With respect to early school leavers and young adults, the two Austrian cities presented more good practices, in the majority target group-specific services. Vienna is the only city with a specialised programme for young mothers receiving minimum income benefits.

Comparing the good practices across the four cities, we see that all cities provide a mixture of target-group specific and universal services. In all four cities, the target-group specific focus comes along with socially adjusted tariffs. Here the two Austrian cities perform better as they have a higher amount of free of charge services for institutionalised childcare.

Evaluating the results with respect to common actions, Ghent has the most advanced approach because local PSSEPs exist in both areas (policy-making and service provision). In Antwerp, such PSSEPs exist only in the form of service provision networks. In the two Austrian cities, a more fragmented approach prevails, which leads to complementary service provision for addressing various aspects of
child poverty. For the local welfare system, the different approaches result in differences as to how much money and time is spent on providing a life domain-centred joint service provision and how tight the network ties and the network density are.

To provide such an in-depth analysis of the localisation of the welfare state, the study focused on four cities. With two Flemish cities the study is concentrated on the Belgium region with the lowest child poverty rates. This is a limitation. Further research could increase the number of cities included. Country-wise it would be interesting to add German cities as a third central European country which has a corporatist welfare state tradition. Under the aspect of common goods provided by PSSEPs, it would also be interesting to see whether in Belgium the higher degree of collaborative policy-making and service provision is filled with life in other fields of care work, for example in the care for the elderly.
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