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# CASH FOR CHILDCARE AS A POLICY INSTRUMENT – ADVANTAGES AND LIMITATIONS

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**C**ash-for-Childcare, or Child Home Care Allowance as it is called in Finland, is a latecomer in family policy. Compared to how quickly and easily the child allowances and care leaves spread in industrialised countries, the progress of cash-for-childcare schemes has been slow. Why so? This article brings together long-term research results on the pros and cons of this policy instrument from the viewpoint of children, their parents, and the society<sup>1</sup>.

Support for children's home care is a women's issue, but also a children's and men's issue. It is an issue for women, because even though the legislation speaks nicely of *parents*, actually almost all the beneficiaries are mothers who take care of small children at home. The real purpose of cash-for-childcare schemes has been to encourage mothers (and some fathers) to care for their children at home and not to take them to day

<sup>1</sup> J. Sipilä (ed.), *Rakkaudesta, velvollisuudesta vairaahasta?*, Helsinki 1994; J. Sipilä, K. Repo and T. Rissanen (ed.) *Cash-for-childcare: The consequences for caring mother*, Cheltenham 2010; J. Sipilä, M. Rantalaiho, K. Repo and T. Rissanen (ed.), *Rakastettu ja vihattu kotihoidon tuki*, Tampere 2012.

care centres. A consequence of this frame is that, when we speak about cash for childcare, we cannot avoid the topic of institutional day care.

Of course, it is also necessary to talk about the circumstances regarding children. We have to ask what happens to children at home and in day care centres. And last but not least, childcare is a men's issue. Men also have the right to participate in the care of their children, to develop their skills in that task, and to become fully competent parents. When evaluating the home care allowance as a means in family policy we have to ask: what are its consequences for mothers, fathers, children, and the society.

The real purpose of cash-for-childcare schemes has been to encourage mothers (and some fathers) to care for their children at home and not to take them to day care centres.

## THE IMPORTANCE AND LIMITS OF FAMILY POLICY

The existence of societies is based on the continuous inflow of new adults whose capabilities should be at least as good as those of the previous generations. Their capabilities form an invaluable resource for the labour market and the state. Therefore, the fundamental question for any society is: what kind of people does it produce?

Family policies tell much about the limits of the state. We could assume policies concerning the production of human beings were the most central of all policy fields. Despite its importance, the mandate of family policy is very limited. Actually, both the state and the market are quite incapable in relation to the family. Families have the monopoly in producing new human beings. Although the families are tiny and informal organisations, they cannot be commanded.

The state is not capable of managing or controlling the core responsibilities of families: families simply live their lives. With the exception of parents and people helping them, nowhere in the society there is enough money or motivation to produce 24/7 care for children day after day. As a consequence, the societies cannot maintain themselves without well-functioning families.

Instead of interfering in family affairs it is the duty of democratic governments to protect the privacy of families. Home is the very central place for a citizen to enjoy their individual freedom. As citizens, we have decided that the rule of law strongly protects the intimacy of the family. In the Nordic countries, we even talk about state individualism<sup>2</sup>. It means that the state has very restricted rights to control families – on the contrary, people expect the state to help them to live according to their own goals.

2 L. Trägårdh, *The 'civil society' debate in Sweden: The welfare state challenged*, [in:] *State and civil society in Northern Europe. The Swedish model reconsidered*, (ed.) L. Trägårdh, New York 2007, pp. 9-36.

In fact, the privacy of families has been gaining strength, as the communities around the families have been weakening. Families are small and largely on their own. Their independence makes them weak and strong at the same time. They are strong in making their own decisions, but weak regarding their human resources.

Family is the place where children get their starting points, losing or obtaining opportunities and capabilities. Family is not only the major source of happiness, but it is also the source of most difficult social problems. There is an enormous variation in the quality of care by the families; they may provide the best possible care, but also the opposite. For children, who do not receive proper care, the consequences are often problematic. It may take years for them only to understand that their family life was not what it should have been. Nevertheless, the primary role of the state cannot be anything else than supporting the parents.

### STATE MEANS TO SUPPORT FAMILIES

State support for families can be divided into three main forms: education, children's daycare and cash allowances. Education has been accepted as a necessary institution for school-age children: almost all children in the world go to primary school. As education is a public service for children and youth, its consequences have particular durability.

It seems that the investment in education and family policies is the best explanation for the Nordic well-being. These are the policies, which have prominently differed from the policies in other countries. Perhaps there is no state that invests enough in the children, but the Nordic states have done it more than the others. James Heckman<sup>3</sup> has profoundly shown the enormous efficiency of social investment in children because of its long-term effects in several fields of human behaviour.

Today, the majority of European children aged 4-6 take part in the early childhood education. The variation in the daycare for smaller children (aged 0-3), however, is large. In most European countries, the subsidised daycare for small children has only become popular in recent decades.

Financial support for families takes place in three main forms. First, all European states pay child allowances. They are not benefits for care and, therefore, they will not be discussed here. Second, the states pay maternity, paternity and parental allowances after the birth of the child. The idea is to compensate for the parents' lost earnings for some months (at the extreme for 16 months in Sweden). Being benefits that support parental care immediately after the birth of the baby, they actually function as a kind of cash-for-childcare benefit.

In this article, I am dealing with the third form of financial aid to families. Cash for childcare is a benefit, which is explicitly meant to support childcare at home instead of bringing children to daycare

<sup>3</sup> J. J. Heckman, *Schools, Skills, and Synapses*, "Economic Inquiry", Vol. 46, (2008), pp. 289-324.

institutions. Its time begins when the parental allowances expire. This benefit indirectly equates institutional daycare to home care, hence it is related to the eternal discussion on the role of women in society. Undoubtedly, it continues to stay a focal issue in the European debates on childcare.

If the parental allowance lasts for about one year, the option for home care allowance begins when the child is a toddler. They are no more a new-born babies with the particular need for breastfeeding and maternal care. The variety of possible carers increases as the child grows up: care may be given by parents, relatives, friends, child-minders and trained nannies.

Actually, the public perceptions of small toddlers' social life and their need for care vary widely. Whether desiring to prefer home care or day care, the politicians and the parents have no difficulties in finding medical experts or developmental psychologists, who support their opinions. These discussions are characterised by their culmination in the case of children of 1 to 3 years of age.

Susan Himmelweit<sup>4</sup> has pointed out that the need for a home care allowance has grown in modern societies because of the increasing opportunity cost of staying at home. First, increasing wage level means that people who do not participate in the labour market are losing more compared to those who are doing wage work. Second, the division of labour continues to the extent that people have become less able to efficiently multitask at home. In addition, the relative value of housework declines when the number of children is small.

When the governments want to increase informal child care as a form of retrenchment strategy, they have to take into account that they do not obtain informal services for free. The resources of the families are no more endless, if they ever were. Informalisation requires that the governments share the costs with the families using e.g. home care allowances<sup>5</sup>.

## CASH-FOR-CHILDCARE

The idea of paying the mothers for taking care of their children at home is old. It was born long before the introduction of nation-wide daycare. When the Social Democrats presented their first demands for mother's wage, their great goal was to allow also working class women the chance to stay at home<sup>6</sup>.

Cash-for-childcare schemes did not make progress before there was a broad coverage of public daycare. Daycare had become extensive in countries, in which a large proportion of women took part in the labour market.

<sup>4</sup> S. Himmelweit, *Caring: the need for an economic strategy*, "Public policy research", Vol. 12, (2005), pp. 168–173.

<sup>5</sup> J. Sipilä, A. Anttonen and T. Kröger, *A Nordic welfare state meets globalization: from universalism toward privatization and informalization* [in:] *The welfare state in post-industrial society: A global perspective*, (eds.) J. Powell and J. Hendricks. (Dordrecht: Springer, 2009), pp. 181-199.

<sup>6</sup> A. Anttonen, *Lasten kotihoidon tuki suomalaisessa perhepolitiikassa*, Helsinki 1999, pp. 30-31.

7 O. Avdeyeva, *Social policy reforms in Hungary: Towards a dual-earner model?* (Paper prepared for the EUSA Eleventh Biennial International Conference, Los Angeles, California April 23-25, 2009).

In 1969, Hungary became the first country, which extended a cash-for-childcare allowance to all mothers of children under three<sup>7</sup>. Thereafter, the introduction of home care allowances has been debated in many countries. However, the presence of these schemes is still limited. At the moment, an explicit children's home care allowance is only paid in some East and North European countries and France.

Finland was the first non-socialist European country to start the scheme. In 1990, the parents who had a child under 3 years of age, achieved the right either to use subsidised daycare or receive a cash allowance. After some years, the right to daycare was extended to cover all the children under school age. The age limits for the cash allowance remained the same.

The Finnish child home care allowance can be claimed after the parental benefit ends (the child is approximately 9 months old). The parent applies for the benefit, but the caregiver need not be a parent. An absolute condition for the allowance is that the child does not use the day care, which is subsidised by the municipality. The payment of the allowance ends at the latest when the family's youngest child reaches the age of 3. The allowance constitutes a taxable income and entitles to an earnings-related pension.

Child home care allowance includes (in 2017)

- a care allowance (342€/month), which is not affected by the family's income,
- a care supplement (at highest 183€), which is affected by the family's total income,
- in addition, many municipalities provide a supplement (one third of the recipients obtain also a municipal supplement, on average 150€)<sup>8</sup>.

The allowance also includes a supplement related to the siblings of the under 3-year-old child. The condition is that the sibling is looked after at home and is under school age. The supplement for a sibling under 3 is 103€ and for a sibling under school age - 66€.

There exist also flexible and partial care allowances. The flexible allowance helps part-time workers, who need to use municipal daycare for short times. Such a part-timer loses about 100€ per month of his or her home care allowance. A specific partial care allowance (about 100€) is targeted at the parents of children who are in the first or second year of school.

It is a Finnish specialty that the state supports all the childcare alternatives that the parents decide to choose. Thus, the state also subsidises private day care, if the daycare provider or caregiver is paid by the family. This only covers four percent of the kids under school age as almost all the parents either use municipal daycare or home care allowance. Without additional municipal subsidies, there would hardly

8 A. Haataja and V. P. Juutilainen. *Kuinka pitkään lasten kotihoitoa? Selvitys äitien lastenhoitojakoista kotona 2000-luvulla*, Helsinki 2014; J. Tervola. *Maahanmuuttajien kotihoidon tuen käyttö 2000-luvulla*, "Yhteiskuntapolitiikka", Vol. 80, (2015), pp. 121-133.

be any private daycare centres<sup>9</sup>. To make the picture of state subsidies complete, it is still worth mentioning that the size of the child allowance is 95€ monthly. Single parents receive an additional 49€.

The benefit covers almost a half of the children in the age group. However, the proportion has been in decline as mothers' employment has been increasing<sup>10</sup>. Most parents (85%) use the allowance for some time. One reason for the popularity of short-term use is that the parental benefit ends when the baby is only 9 months old. Thereafter, the median duration of the use of home care allowance is 11 months. Rather few people, one in seven, receive the maximum (about 26 months). Parents with higher education use the benefit less and for a shorter period, whereas single parents, unemployed and immigrants use it more<sup>11</sup>. On the other hand, the users of the partial care allowance are mostly rather well-earning mothers<sup>12</sup>.

The fact that the terms of the home care allowance apply specifically to women has consequences in the labour market. Only 7% of recipients are men, although their share has been slightly moving upwards<sup>13</sup>. More generally, Finnish fathers use both parental leaves and benefits much less than the fathers in other Nordic countries<sup>14</sup>.

The Finnish child home-care-allowance scheme originated in the society of 1980s<sup>15</sup>. This is reflected in many features of the system: the duration of the allowance is long, the period cannot be divided in parts, changing the recipient is difficult, even small additional income reduces the benefit, the benefit is small and there are no part-time benefits. All this shows the importance of the interests of rural families when the system was established.

The Finnish example, however, does not represent extreme traditionalism. Actually, there are schemes in the world which bring the conservation of the traditional family model even further. There are regulations demanding that the benefit is only available to persons, who have left the labour force, or to those who take care for all their children at home, or women only<sup>16</sup>.

Despite its traditionalism, the Finnish child home care allowance is popular. A recent survey shows that the majority of supporters of all parties would like to keep it as it is<sup>17</sup>. Some parties would like to moderate the scheme, but there is no political intention to repeal the allowance. Criticisms are heard mainly from employers' organisations.

In 1998, Norway introduced a different kind of home care allowance. The Norwegian model favoured part-time work. The benefit was much higher than in Finland. Almost all Norwegian parents used the allowance in the beginning. However, when the supply of day care has increased, the use of the cash benefit has dropped dramatically to one third<sup>18</sup>.

9 K. Pohjola, A. Haataja and V. P. Juutilainen, *Lasten yksityisen hoidon tuki osana päivähoitoa*, Helsinki 2013.

10 *Findikaattori, Lasten kotihoidon tukea saaneet*, <http://www.Findikaattori.fi/fi/111>.

11 A. Haataja and V. P. Juutilainen, *Kuinka pitkään lasten kotihoitoa? Selvitys äitien lastenhoitojaksoista kotona 2000-luvulla*, Helsinki 2014).

12 Aino-Maija Aalto, "Katsausosittaisen hoitorahankäyttöön 2000 luvulla" (Helsinki: Kela, 2013). A. Haataja, *Kotihoidon tuki kehityy omaan tahtiinsa Pohjoismaissa*, "Sosiaalivakuutus" 17.3.2016.

13 *Findikaattori, Lasten kotihoidon tukea saaneet*, <http://www.Findikaattori.fi/fi/111>.

14 A. Haataja and V. P. Juutilainen, *Kuinka pitkään...; A. Haataja, Kotihoidontuki...*

15 At the moment only the New Right supports the old model unconditionally.

16 J. Sipilä, K. Repo, T. Rissanen and N. Viitasalo, *Cash-for-childcare: unnecessary traditionalism or a contemporary necessity? [in:] Cash-for-childcare: The consequences for caring mother*, (ed.) J. Sipilä, K. Repo and T. Rissanen, Cheltenham 2010, pp. 35.

17 *Kotihoidontuki kyllä vai ei? Tätä mieltä ovat suomalaiset, "Aamulehti" 6.4.2017*.

18 A. Haataja, *Kotihoidontuki...*

After decades of political struggles, there is no cash for childcare in Sweden. The main means of Swedish care policies are a long care leave, sharing of the leave and benefits, earnings-related benefits and flexible timing of vacancies and compensations. The Swedish parents receive parental benefits for 480 days and these benefits may be used flexibly until the child is 8 years old. The Swedish emphasis given to gender equality and shared parenting seems to be easier to reconcile with care leaves than home care allowances.

Many employers, economists, and feminists criticise the cash for childcare solution. One argument is that the children from poor families, and particularly of immigrants, lose their learning and future working opportunities, if the home care allowance increases their social isolation<sup>19</sup>. In Norway, the fact that immigrant mothers with a marginal position in the labour market were the majority of the users of the scheme, was an important reason to shorten the duration of allowance. Now, only parents of one-year-old children can obtain the allowance in Norway<sup>20</sup>.

## WHY IN SO FEW COUNTRIES?

**Values.** Paradoxically, cash-for-childcare schemes are opposed both by traditionalists and modernists. The classic reason against the idea, was that it contradicted traditional family values. The Swedish Moderates claimed in 1960s that “it was in principal offensive that a natural function such as parenthood should be paid for by the state”<sup>21</sup>. Still, taking care for one’s own children today is seen as a human obligation. We expect that parents care for their children out of love and duty.

Additionally, however, the typical cash for childcare schemes also contradict the values of modern society. In North European discourses, cash for childcare is often described as a “trap for women”. This is, of course, due to the fact that gender equality and shared parenthood are highly valued. Long period of home care weakens women’s career prospects; not only their wages, but also their pensions. As a counterweight, husbands, if any, try to work for long days to compensate for the lost income. It is no surprise that the wage difference between mothers and fathers is higher than that between women and men. In case of divorce, which concerns half of the marriages in the Nordic countries, it is mostly women that continue to live with the children and face an increased risk of poverty.

**Economy.** It is quite common that the governments resist the idea of ‘deadweight’ expenditure. Public expenditure should not be used to pay for care work that would and should be undertaken anyway<sup>22</sup>. This argument is based on the assumption that traditional values are followed without any financial incentives.

19 J. J. Heckman and D. V. Masterov, *The Productivity Argument for Investing in Young Children*, “Review of Agricultural Economics”, Vol. 29, (2007), pp. 446-493; J. Tervola. *Maahanmuuttajien kotihoidon tuen käyttö 2000-luvulla*, “Yhteiskuntapolitiikka”, Vol. 80, (2015), pp. 121-133.

20 B. Bungum and E. Kvande, *The rise and fall of cash for care in Norway: changes in the use of child-care policies*, “Nordic Journal of Social Research”, 4, (2013), pp. 31-54.

21 A. Nyberg, *Cash-for-childcare systems in Sweden: history, political contradictions and recent developments*, [in:] *Cash-for-childcare: The consequences for caring mother*, (ed.) J. Sipilä, K. Repo and T. Rissanen, Cheltenham 2010, p. 66

22 C. Ungerson and S. Yeandle, *Cash for care in developed welfare states*, Houndmills 2007, pp. 196-197.



Another economic issue concerns labour market effects. Both the state and the market want to see the productive people employed. In modern countries, young women are better educated than men. Although cash-for-childcare schemes are often rationalised by public savings, actually many researchers do not believe that the schemes are advantageous for the public economy in the long run. Economists do not generally advocate for cash-for-childcare, they rather speak of children's daycare and early education as an human and social investments. Actually, we do not know to what extent cash allowances should be counted as investments<sup>23</sup>.

**Social problems.** Some critics remind that the cash-for-childcare scheme tends to increase social problems. A serious doubt is related to the fact that a monetary benefit may be used in mixed ways. There is no certainty that child home care allowance is spent to improve childcare. As already mentioned, there is a noteworthy variation in the quality of family care. Should all the parents be paid for family care?

One more problem comes from the fact that especially the less affluent families and the mothers with less education rely on the cash-for-childcare benefits. In the long run, the limited cash benefit does not improve the financial situation of the poor. The children grow poor. We know that continuous poverty is a root for social problems and high public costs in future.

## WHY THEN, PROMOTE CASH-FOR-CHILDCARE?

**Smooth daily life.** Probably, the best argument for cash-for-childcare schemes is that so many parents value it. A very common argument among allowance recipients is that the parents want to be with the children, follow their development and raise them. Another popular argument, especially among mothers, is that they desire to leave the working life ("the rat race") for some time. It is much more convenient to sleep longer in the morning than to dress a child for day care. Looking after small children is exhausting anyway, and people appreciate ways to ease their everyday life. Anneli Anttonen and Jorma Sipilä define the family time as an element of the informal care capital<sup>24</sup>. Family time can be increased by cash-for-childcare.

One practical reason why parents choose the allowance is that there may be a shortage of appropriate daycare places in the neighbourhood. In situations where daycare cannot be used for some reason, money helps parents to find acceptable solutions. For instance, when a Finnish parent works abroad, no right to daycare will follow them. However, according to the EU rules, the family maintains the cash allowance.

**New cultural trends.** Defamilialisation was the main trend in the late 20th century. Later we have seen an outright counter-reaction. "Neofamilism"<sup>25</sup> or "refamilisation"<sup>26</sup> revive and value the identity of

23 J. Sipilä, K. Repo, T. Rissanen and N. Viitasalo, *Cash-for-childcare: unnecessary traditionalism or a contemporary necessity?* [in:] *Cash-for-childcare: The consequences for caring mother*, (ed.) J. Sipilä, K. Repo and T. Rissanen. Cheltenham 2010, pp. 21-45.

24 A. Anttonen and J. Sipilä, "Care capital, stress and satisfaction," [in:] *Women, Men, Work and Family in Europe*, (eds.) R. Crompton, S. Lewis and C. Lyonette, Houndmills, 2007, pp.152-170.

25 R. Mahon, *Child care: towards what kind of "Social Europe"?* "Social Politics", Vol. 9 (2002), pp. 343-379.

26 R. Lister, F. Williams, A. Anttonen, J. Bussemaker, U. Gerhard, J. Heinen, S. Johansson, A. Leira, B. Siim and C. Topio, with A. Cavanis, *Gendering Citizenship in Western Europe. New Challenges for Citizenship Research in a Cross-National Context*, Bristol 2007.

27 K. Ramkvist, *Pappamakten*, "Arena", Vol. 4 (December 2006), pp. 14-17; K. Repo, *Finnish child home care allowance – users' perspectives and perceptions*, [in:] *Cash-for-childcare: The consequences for caring mother*, (ed.) J. Sipilä, K. Repo and T. Rissanen, Cheltenham 2010, pp. 46-64.

28 A. Leitner and A. Wroblewski, *Welfare State and Work-Life Balance*, "European Societies", Vol. 8, (2006), pp. 295-317.

It is a common international finding that, if people can choose the form of government support, they rather take money instead of service.

29 J. Sipilä, *Lasten kotihoidon tuki poliittisena kysymyksenä*, [in:] *Rakastettu ja vihattu kotihoidon tuki*, (ed.) J. Sipilä, M. Rantalaiho, K. Repo and T. Rissanen, Tampere 2012, pp. 7-23.

30 C. Ungerson and S. Yeandle, *Cash for care in developed welfare states*, Houndmills 2007), pp. 187-9.

31 R. Lalive and J. Zweimüller, *How does parental leave affect fertility and return to work? Evidence from two natural experiments*, "The Quarterly Journal of Economics", Vol. 125 (2009), spp. 1363-1402.

home mothering. Neofamilism is not in contradiction with the increasing individualism. Both phenomena invoke people to find personal solutions instead of public institutions, like kindergartens and schools<sup>27</sup>.

**Some security in the labour market.** From the perspective of young people looking for their place in the labour market, cash-for-childcare schemes represent a temporary source of security. The European Union countries have applied different schemes to promote work sharing, job rotation, adult education and career breaks. Andrea Leitner and Angela Wroblewski<sup>28</sup> state that cash-for-childcare is a good example of a scheme that can offer income and a secured break from labour force participation in the transitional labour market.

The recent concern about robotisation and job losses emphasises the role of cash-for-childcare as a kind of basic income. Perhaps the work society is not here to stay. Many debaters agree that the basic income should be first targeted on those performing necessary services, like childcare, for the society.

**Special needs.** It is a common international finding that, if people can choose the form of government support, they rather take money instead of service. This is what happens despite the fact that the cash recipients tend to be undercompensated<sup>29</sup>. One reason for preferring money is that this flexible tool also facilitates arrangements in cases, in which the child or the parents have special needs. Many minorities appreciate the opportunity to provide services of their own.

**Easy policy making.** Clare Ungerson and Sue Yeandle<sup>30</sup> point out that cash-for-care schemes enable the state to reduce both the employment costs and the organisational costs. The costs of recruitment, training new staff, security checks, performance management, risk management, staff development and sickness absence are negligible. All this attracts politicians: cash benefits help them to avoid difficult decision-making and public criticism. Cash grants require very little staff and buildings, compared to services.

**Ideology.** Finally, there are ideological reasons for cash benefits. There are parties, which resist public services, in principle. The political acceptability of cash benefits is wider.

**Demographics.** Most European countries are worried with their low birth rates. Traditionally, demographers have insisted that the family allowances only affect the timing of births, but there are also other results. For instance, Rafael Lalive and Josef Zweimüller<sup>31</sup> have found that in some cases long care leaves raised birth rates.

## AVOIDING THE RISKS OF CASH-FOR-CHILDCARE

The first warning is that the parents must never earn money by making children. If they do, children are born for wrong reasons. The consequences are tragic.

Another major risk is the mother's social exclusion. In vulnerable conditions, for example in immigrant families, a small cash benefit may reinforce both poverty and mother's social isolation. This will undermine both the mother's well-being and the child's growth environment, especially in the long term. It is also a questionable policy to grant aid only to disadvantaged mothers – it hardly makes sense to require that the mother has first to be marginalised before she can be assisted.

The third risk is connected to the two already mentioned, but concerns more explicitly the development of the children. The intention of the benefit is to support care, but there is no guarantee of the provision and quality of care. The government may justify the benefit by the supposed motivation: it is self-evident that the parents wish to care for their children. However, the family care happens in a private area and no one is allowed to control the quality of the upbringing that happens at home. It is not possible to avoid situations, in which the government gives money to parents who harm the child.

These three major risks can be lowered. First, governments should not begin to pay the parents for producing children for demographic, nationalist or any other reasons. The family benefits must be kept on a level which maintains the human motives in the core.

Second, it is not difficult to facilitate the mothers' participation in the society. Part-time benefits can be preferred and kept on a relatively high level. Shared parenthood strengthens and maintains the well-being in the family. Reducing the amount of the benefit as the duration increases motivates the mothers to return to the labour market, before it becomes more difficult.

Third, from the viewpoint of children's development, it is necessary to combine cash benefits with services. E.g. there should be playgroups for small children in all neighbourhoods. There should also be early childhood education for all. Such opportunities create interactive meeting points for both children and parents. The quality of daycare and early education should be of particular concern. Social problems at homes can never be abolished, but they should be relieved by active child guidance: monitoring, protecting, and giving support.

Eventually, the problems related to cash-for-care policies are connected to the more general inequalities and tensions in the society. Thus, the consequences of cash-for-care schemes vary together with the context in which they are applied. The outcomes are never the same in different times, cultures and societies.

## **ABSTRACT/ABSTRAKT**

The presented article is an attempt to draw attention to the economic contexts of the functioning of families in Europe. The author presents various types of financial support for families using the examples from selected European countries. The idea of paying the mother for looking after her children at home is analysed in detail.

Prezentowany artykuł stanowi próbę zwrócenia uwagi na ekonomiczne konteksty funkcjonowania rodzin na terenie Europy. Autor przedstawia różne rodzaje finansowego wsparcia dla rodzin na przykładzie wybranych krajów europejskich. Szczegółowej analizie zostaje poddana sytuacja, w której matki pobierają wynagrodzenie za pozostanie w domu i opiekę nad własnymi dziećmi.

## **KEY WORDS/ SŁOWA KLUCZOWE**

childcare, family policy, government support, parenthood

opieka nad dziećmi, polityka rodzinna, wsparcie rządowe, rodzicielstwo