



New  
Direction

**Matthäus Konradsheim**

# **FAMILY POLICY**

**A Comparative Study**



Founded by Margaret Thatcher in 2009 as the intellectual hub of European Conservatism, New Direction has established academic networks across Europe and research partnerships throughout the world.

[newdirection.online](http://newdirection.online) @europeanreform

<b>1</b>	<b>Introduction</b>	<b>4</b>
<b>2</b>	<b>Methodology</b>	<b>5</b>
<b>3</b>	<b>Theory of Family Policy</b>	<b>7</b>
<b>4</b>	<b>Family Policies by Country</b>	<b>13</b>
<b>5</b>	<b>Comparison of Effective Measures</b>	<b>25</b>
<b>6</b>	<b>Conclusion</b>	<b>29</b>
	References	30
<b>Annex</b>	Public spending on Family benefits 2014-2019 as % of GDP (OECD)	34

## 1

## INTRODUCTION

This report analyses pro-natalist family policies in six EU countries — Germany, France, Sweden, Poland, Italy, and Hungary — considering the increasing demographic challenges confronting Europe. Fertility rates in the majority of EU countries have decreased markedly below the replacement level of 2.1 children per woman, prompting concerns regarding population decline, workforce sustainability, and the pressure on social welfare systems. The demographic trends present significant implications for economic stability, intergenerational solidarity, and cultural continuity.

Pro-natalist family policies seek to establish a supportive family formation and child-rearing environment. Governments aim to mitigate economic and social barriers to childbearing through the provision of financial incentives, childcare support, and work-life balance initiatives. This report presents a comparative

analysis of the design, implementation, and outcomes of pro-natalist policies across selected EU countries, emphasising the strengths and limitations of various approaches.

The objectives of this report are to:

- Analyse the essential elements of pro-natalist family policies, including tax incentives, family allowances, parental leave, and childcare services.
- Assess the efficacy of these policies in meeting demographic objectives, specifically in enhancing fertility rates and promoting family well-being.
- Identify effective strategies and insights that can guide future policymaking in response to Europe's demographic challenges.

## 2

## METHODOLOGY

European countries' family policies can be classified into specific models based on their approaches to state intervention and family support. This research employs the typology developed by A. Gauthier in her publication *The State and the Family: A Comparative Analysis of Family Policies in Industrialised Countries* (1996, Oxford, p. 203). This typology is utilised by various governmental agencies. Gauthier classifies European states into four main models, each reflecting unique social and cultural contexts.

The French model demonstrates a pro-natalist orientation, with family policy operating simultaneously with population policy. The study emphasises the improvement of fertility through financial transfers and services, such as childcare facilities. This model supports maternal employment, enhancing the balance between professional duties and family life.

The Anglo-Saxon model views the family as a private unit, with policies primarily focused on alleviating poverty. The state demonstrates limited involvement in family issues and does not provide specific support for balancing work and family life.

The Scandinavian model prioritises gender equality and supports both parents in balancing work and family responsibilities. Strong support is found in high-quality childcare services, significant financial transfers during parental leave, and initiatives aimed at involving fathers in child-rearing.

The German model is marked by significant financial transfers to families, but it provides limited support for balancing work and family obligations. As a result, it often reinforces the traditional role of one parent as the primary carer.

Hybrid forms, as demonstrated by the Southern European model in Italy, combine elements of Anglo-Saxon non-interventionism with the traditional values characteristic of the German model. The formulation of these policies is constrained, marked by insufficient state support and an emphasis on supplementary private and familial mechanisms. Hungary and Poland illustrate hybrid strategies that combine pro-natalist policies with conservative principles. Both countries emphasise traditional family roles and utilise direct financial support to improve fertility, making them significant

subjects for comparison in the evolution of social security systems in Central and Eastern Europe.

This typology facilitates the analysis of national responses to demographic challenges, such as low fertility and population ageing. The framework enables the assessment of family policy effectiveness across diverse socioeconomic and cultural contexts.

In the analysis of individual countries, we utilise conventional analytical methods of comparative and qualitative analysis, which include:

Data Collection:

- Quantitative data regarding fertility rates, family benefits, and demographic trends were obtained from Eurostat, the OECD Family Database, and national statistical offices. We aimed to use the most recent data to ensure the report is current and relevant. The Total Fertility Rates (TFR) for the countries analysed are derived from 2022 data, as 2023 data was not accessible for all countries during the preparation of this paper.
- Qualitative data were extracted from academic studies, policy evaluations, and governmental reports to offer contextual insights.

Comparative Analysis:

- Policies were evaluated concerning their design, implementation, and outcomes. Metrics encompass fertility rates, parental labour market participation, and indicators of child well-being.
- Policy approaches were analysed to identify factors contributing to success or limitations.

Theoretical Framework:

- Theories regarding the economic, social, and cultural determinants of fertility behaviour guided the analysis. The frameworks offered a perspective for analysing the impact of policy measures on demographic outcomes.

## THEORY OF FAMILY POLICY

### 3.1. Definition of Family Policy

Despite low fertility rates in the EU over recent decades (1.46 children per woman in 2022, according to Eurostat), fertility intentions are near replacement level. In 2011, women in young adulthood (ages 15 to 24) across the 27 countries of the European Union intended to have an average of 2.1 children (Testa, 2012). This indicates that couples often have fewer children than originally planned, leading to a discrepancy between intentions and actual behaviour. This demographic shift appears to stem from economic, social, and institutional factors that disincentivise childbearing. The concept of a “fertility gap” has been adopted by policymakers, leading to the objective of facilitating couples in achieving their desired number of children.

The expenses associated with raising children have increased markedly, rendering parenthood a financial challenge for numerous families. Childcare, education, and housing expenses have increased significantly, rendering affordable housing frequently inaccessible for families in urban regions. Precarious employment and restricted career opportunities, particularly among younger adults, have further diminished confidence in initiating or expanding families. The opportunity cost of childbearing is particularly significant for women, as motherhood frequently disrupts career paths and constrains lifetime earning potential, especially in contexts lacking adequate workplace support.

Social changes have significantly contributed to the decline in natality. Younger generations are prioritising personal freedom, career advancement, and lifestyle goals, resulting in delayed family formation and reduced fertility rates. In certain societies, traditional gender roles impose an unequal burden on women regarding caregiving and household duties, which may further disincentivise higher fertility rates. The process of urbanisation and the reduction of extended family networks have resulted in increased isolation for many parents in their child-rearing duties, exacerbating the difficulties of managing work and family life. Parents experience physical and emotional exhaustion in the absence of support, leading to reluctance to have additional children. Restricted access to community resources, including parent groups, exacerbates this hesitance.

Institutional factors, such as inadequate family-supportive infrastructure, intensify these barriers. Access to affordable, high-quality childcare is inconsistent, as many families encounter long waiting lists or prohibitive costs. Parental leave systems exist in numerous countries; however, they

frequently lack equity and adequacy, especially for fathers, thereby constraining shared caregiving responsibilities. Rigid workplace cultures and restricted flexible working arrangements hinder parents’ ability to balance professional and personal responsibilities.

Recent research highlights an important aspect: spousal agreement regarding childbearing. Empirical studies indicate that successful family formation necessitates mutual consent, as disagreement markedly decreases the probability of having children. In low-fertility countries, women tend to resist having more children, indicating significant structural challenges in aligning personal and family goals (Deopke and Kindermann, 2016).

Family policy constitutes a systematic strategy employed by governments to assist families in their essential caregiving and reproductive functions, particularly in response to intricate demographic issues such as population decline and societal ageing. The primary objective of these policies is to establish an environment that mitigates economic, social, and institutional barriers to childbearing.

Financial support mechanisms are fundamental to these strategies, aimed at mitigating the economic burdens associated with child-rearing. Governments utilise a range of financial instruments, such as one-time birth grants that offer immediate support to new parents, ongoing child allowances that assist in covering daily child-rearing costs, and progressive tax benefits that adjust according to family size. Financial interventions encompass not only direct monetary assistance but also childcare subsidies that enhance the affordability of early education, housing benefits that facilitate access to appropriate living conditions, and educational cost supports that guarantee children can obtain quality learning opportunities.

Parental leave policies are a significant aspect of family support, aimed at assisting parents in balancing work and family obligations while fostering gender equality. Contemporary policies offer job-protected leave for mothers to recuperate from childbirth and develop crucial caregiving practices while simultaneously promoting fathers’ involvement through specific paternity leave provisions. Shared parental leave options provide flexibility, enabling couples to allocate caregiving responsibilities based on their specific family dynamics and professional situations.

Support from the workplace and community has gained significance in comprehensive family policies. Governments are adopting flexible working arrangements such as part-time work, telecommuting, and adjustable hours to support parents in balancing professional careers with family obligations. Workplace protections prohibit discrimination related to family status, safeguarding parents from penalties associated with their caregiving responsibilities. Community infrastructure is essential as urban planning increasingly integrates family-friendly spaces, including playgrounds, community centres, and recreational facilities that promote social interaction and child development.

Advanced pro-natalist strategies utilise complex, multi-faceted incentives to encourage larger family sizes. Progressive approaches provide significant financial and social incentives for each additional child, encompassing pension credits,

### 3.2. Typologies of Family Policy

Family policies in various countries can be classified into four main dimensions of state intervention: legal frameworks related to marriage, family status, and guardianship; fiscal measures involving transfers and taxation; service provisions that include counselling and informational support; and educational initiatives that cover schools, childcare, and youth welfare programmes.

Various countries have formulated unique family policy approaches influenced by their specific historical contexts and social traditions. These approaches align with broader welfare state principles, implicitly favouring specific family structures defined by differing levels of male breadwinner dependency or partnership-based labour division. In Europe, various distinct models have developed.

France has adopted a unique pro-natalist strategy, interpreting family policy as a means of population management. This model promotes childbirth via financial incentives and supports maternal employment through extensive childcare services, allowing mothers to balance professional and familial duties.

The Anglo-Saxon approach regards family issues as predominantly private, emphasising poverty prevention over extensive family support. This model neither actively

prioritised access to essential services, and potential long-term educational advantages. These policies seek to address broader demographic challenges by establishing a comprehensive support system that renders family expansion economically viable and socially supported through nuanced, multidimensional interventions.

Family policies embody a comprehensive perspective that recognises the importance of supporting families extends beyond immediate financial aid; it involves fostering a social and economic context that values and promotes childbearing and child-rearing. These strategies aim to convert the multifaceted challenge of demographic renewal into a feasible and supported life choice for families by addressing financial, workplace, and social dimensions. The effectiveness of these measures is contingent upon their design, accessibility, and integration within wider socio-economic frameworks.

discourages maternal employment nor offers specific support structures to facilitate it.

Scandinavian countries have developed a model focused on gender equality, promoting the involvement of both parents in professional and familial responsibilities. This method integrates comprehensive childcare infrastructure with substantial, time-restricted parental benefits. It emphasises the importance of encouraging fathers' active participation in childcare, thereby promoting a more equitable distribution of parental responsibilities.

The German model features significant financial transfers to families yet offers relatively limited assistance for reconciling work and family obligations. This establishes a distinctive dynamic in which families obtain substantial financial assistance while encountering increased difficulties in balancing work responsibilities with childcare obligations.

Certain regions, especially in Southern Europe, have adopted hybrid approaches. This approach combines minimal state intervention characteristics of the Anglo-Saxon model with traditional family values and a strong dependence on private family arrangements akin to the German model. This establishes a unique framework in which families primarily rely on informal support networks, receiving minimal state assistance (Rürup and Gruescu, 2003).

### 3.3. Theoretical Perspectives on Fertility Decline and Pro-Natalist Policies

The literature indicates many possible factors of a social, economic and cultural nature that may underlie changes in childbearing and family formation in advanced societies. These theories are important to understand the impact of pro-natalist policies on fertility behaviour.

#### 3.3.1. Economic Theories

An economic perspective on fertility determinants posits that an individual's decisions and behaviours related to family formation are shaped by their labour market position and

educational attainment. This process is driven by two primary mechanisms: the "income effect" and the "price effect." The income effect indicates that individuals possessing higher education typically access superior job opportunities and attain elevated incomes. This phenomenon enhances their attractiveness as partners in the marriage market and improves their capacity to sustain a larger family. Consequently, education may positively impact family formation. The price effect underscores the opportunity costs linked to the equilibrium between work and family life. For example, when a woman reduces or temporarily leaves the workforce to care for children, the financial impact is more significant for those with higher education and earning potential. The price effect serves as a deterrent to increasing family size. The interaction of the income effect and price effect influences individuals' rational decision-making and ultimately determines their fertility choices (Becker, 1981). Policies should focus on enhancing the income effect through measures such as tax breaks for families, parental leave benefits, and child allowances. These initiatives aim to improve the financial appeal of child-rearing by lowering direct costs. Concurrently, it is essential to address the price effect, especially for individuals with higher education, by implementing subsidised childcare, flexible working arrangements, and shared parental leave.

Another economic theory connects decisions regarding childbearing to the concept of relative income, which pertains to the relationship between an individual's earning capacity and their material aspirations or how their income compares to that of their parents. This concept posits that an increase in relative income among young adults correlates with reduced financial strain, thereby increasing the likelihood of marriage and childbearing. Conversely, a decline in relative income results in increased economic stress, which subsequently leads to a reduction in fertility rates (Easterlin, 1980).

#### 3.3.2. Ideational and Demographic Theories

Ideational theories offer a significant framework for analysing the impact of cultural values, beliefs, and societal changes on fertility behaviour. In contrast to solely economic or structural explanations, ideational theories highlight the significance of evolving ideas and norms in shaping reproductive choices. These theories are significant in family policy as they emphasise the necessity of cultural and value-oriented interventions in conjunction with economic incentives to promote increased fertility.

The ideational shift elucidates the declining fertility rates observed in Western societies. Lesthaeghe delineated three phases of evolving Western values, each marked by a rise in individualism. In the post-World War II era, individualism became associated with the pursuit of self-fulfilment and personal welfare, resulting in individuals prioritising personal goals, career aspirations, and lifestyle choices over childbearing (Lesthaeghe, 1983). Fertility changes are attributed to a combination of economic and ideational factors, including secularisation, individuation, and rational decision-making

processes (Lesthaeghe and Surkyn, 1988). This integrated perspective emphasises that fertility decline cannot be understood solely through cost-benefit analyses; it must also consider deeper cultural and normative transformations.

The influence of group-level value systems on individual fertility decisions has been incorporated into this understanding. Value systems are defined as the mechanisms through which societies internalise the externalities of social acts, highlighting the cyclical relationship between collective societal values and individual behaviour. Societal trends such as secularisation, egalitarianism, and a shift towards rational choice in birth control are influencing fertility norms, thereby diminishing societal pressures to marry or maintain larger families (Preston, 1987).

The ideational changes within the family system have led to tangible consequences such as declining marriage rates, increasing cohabitation, and rising non-marital childbearing, which reflect broader societal shifts in values (Rindfuss and Brewster, 1996). Cleland and Wilson emphasised the importance of ideational change, contending that cultural and ideological shifts frequently surpass structural or economic factors in shaping fertility behaviour (Cleland and Wilson, 1987). The association between religiosity and pro-natalist norms, along with their influence on fertility behaviour, is well documented in sociological and demographic studies. Research indicates that cultural and religious beliefs significantly influence reproductive choices, frequently leading to preferences for larger family sizes and increased childbearing (Lutz, 1987).

The concept of role compatibility highlights the necessity of minimising conflicts between professional and parental roles to promote increased fertility. In societies where women's education and labour market participation are on the rise, yet traditional caregiving expectations persist, a decline in fertility is observed (McDonald, 2004). Policies that enhance role compatibility, including flexible parental leave, accessible and affordable childcare, and workplace flexibility, contribute to the reduction of these conflicts. Such policies facilitate the balance between career and family life, enhancing the feasibility and attractiveness of childbearing. Compatibility between professional and parental roles reduces the perception of children as impediments to personal or professional goals, thereby contributing to increased fertility rates in societies facing demographic decline (Esping-Andersen, 2009). The Diffusion of Innovation Theory analyses the mechanisms by which novel ideas and behaviours disseminate within populations. Pro-natalist policies may function by normalising larger families or by establishing a "demonstration effect," wherein early adopters of policy incentives encourage others to emulate their behaviour. Highly visible family benefits or publicly celebrated parental incentives may positively influence peers' perceptions of childbearing, thereby creating a cascading effect on fertility decisions (Dearing and Cox, 2018).

The postponement of childbearing is a significant factor contributing to the decline in fertility rates in Europe. Low-low

fertility rises from a concurrent high rate of delayed parenthood and a low rate of progression to second and subsequent births. To enhance fertility, it is more crucial for women to have multiple children than to decrease the overall rate of childlessness (Vienna Institute of Demography, 2008). Life course theories highlight that fertility decisions are influenced by individual timing, personal goals, and life transitions. Pro-natalist policies can affect fertility by facilitating the attainment

of childbearing objectives at an earlier stage or with greater ease within the preferred timeline of individuals. Affordable housing and financial incentives for first-time parents can mitigate delays in family formation. These theories emphasise the significance of cumulative effects, wherein sustained policy support throughout the life course (e.g., from early childhood care to education) strengthens the inclination to have multiple children (Buhr and Huinink, 2014).

### 3.4. Historical Context of Pro-Natalist Policies in Europe

The evolution of pro-natalist policies in Europe illustrates the changing socio-economic and demographic priorities throughout various historical periods. Each era has influenced the design and implementation of family policies in response to distinct challenges, changing societal norms, and economic conditions.

#### 3.4.1. Post-War Reconstruction (1945–1960s)

Following World War II, European nations confronted the pressing necessity to reconstruct their devastated economies, societies, and populations. During this period, pro-natalist policies were driven by demographic concerns, including population loss, as well as economic needs to rebuild a robust workforce and ensure social stability. Family policies were integral to the recovery process, as governments implemented measures to promote population growth and reduce financial burdens on families. France implemented family allowances, which are cash benefits allocated to households according to the number of children, as well as housing benefits aimed at supporting larger families and fostering economic recovery (Kok, 2007). The policies sought to encourage childbearing by alleviating the financial burden associated with raising children and establishing a basis for population renewal.

#### 3.4.2. Economic Modernization (1970s–1990s)

The late 20th century witnessed significant economic and social transformations, characterised by heightened female workforce participation, alterations in conventional gender roles, and the emergence of dual-income households. The changes necessitated the development of policies that assist families in managing work and parenting responsibilities. Countries recognised the necessity for fertility policies to address the increasing challenges encountered by working parents, especially mothers. Sweden emerged as a leader in the integration of gender equality and fertility incentives during this period. Swedish policies integrated generous parental leave schemes, accessible and affordable childcare,

and flexible working arrangements, enabling both parents to engage in caregiving while maintaining active participation in the labour market (Gauthier, 1996). This approach highlighted that promoting gender equality and alleviating work-family conflicts could foster a conducive environment for increased fertility while avoiding the reinforcement of traditional gender roles.

#### 3.4.3. Contemporary Challenges (2000s–Present)

The 21st century has been characterised by consistently low fertility rates throughout Europe, exacerbated by ageing populations, economic instability, and cultural transitions towards individualism and postponed family formation. European countries have responded to these trends by implementing ambitious pro-natalist strategies, with the specifics of these policies differing according to national priorities and cultural values.

Hungary and Poland have implemented family policies that prioritise financial incentives and the promotion of traditional family values to stimulate the growth of larger families. Hungary implemented significant child-related benefits, housing subsidies for large families, and tax exemptions for parents with multiple children. These measures are based on the premise that financial assistance and cultural support for family life can counteract the decline in fertility rates.

In contrast, countries such as Germany and France have implemented a comprehensive strategy that emphasises work-life balance and the availability of accessible childcare services to facilitate family formation and promote increased fertility (OECD, 2020). Germany expanded its parental leave system and invested significantly in childcare infrastructure to mitigate the opportunity costs associated with childbearing for working parents. France maintains a comprehensive array of family-friendly policies, including extensive parental leave, subsidised childcare, and financial aid.

4

## FAMILY POLICIES BY COUNTRY

Family policies are predicated on the belief that children contribute positively to society as future workers; thus, promoting fertility and mitigating child poverty is encouraged. Countries implement family allowances, tax reductions, and other benefits to achieve these objectives.

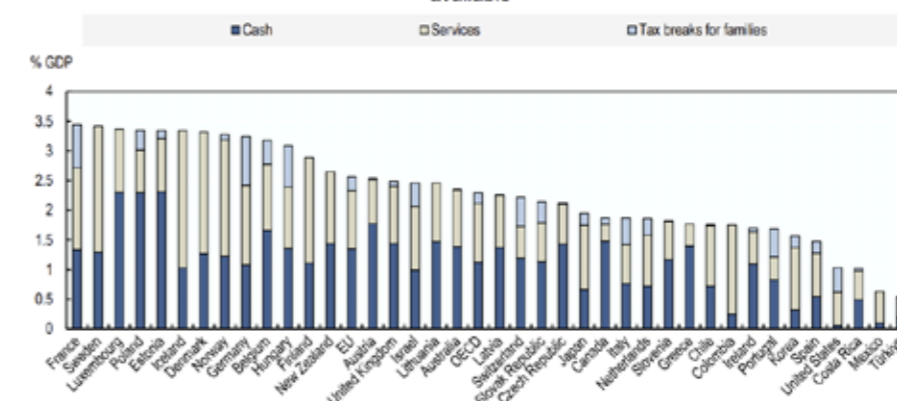
The policy instruments presented in the table are categorised into three groups: cash, services, and tax breaks. The analysis reveals a consistent trend among all examined countries,

indicating a gradual decrease in the proportion of cash instruments, with services typically surpassing tax breaks in magnitude. The absence of tax breaks in Swedish family policy is noteworthy.

In the majority of countries examined, tax breaks exhibited slow growth; in Poland, this growth was gradually decelerating, whereas in Hungary, there was a sharp increase between 2016 and 2017.

**Chart PF1.1.A. Public spending on family benefits**

Public expenditure on family benefits by type of expenditure, in per cent of GDP, 2019 and latest available



Source: OECD

### 4.1. France

France allocates substantial resources to family benefits, reflecting its long-standing commitment to supporting families. Spending is balanced across cash benefits, services, and tax breaks, with a significant share directed toward services like childcare and education. Tax breaks also play an essential role, particularly through allowances for working families. According to OECD data, France consistently ranks among the highest spenders on family policy, emphasising both financial support and service provision. That has proven to be in correlation with its high fertility rates.

France has a Total Fertility Rate (TFR) of 1.79 as of 2022, but in the longer term, it has been one of the highest on the continent (Eurostat, 2023), with the EU average being 1.46 in 2022. This relatively strong performance is attributed to France's comprehensive, universal, and consistent family support framework, integrating financial, social, and cultural dimensions.

#### Key family policy measures in France

##### Family Allowances

Family allowance is a universal benefit provided to families with at least two children, scaled to the number of children and adjusted based on income. The allowances aim to reduce the financial burden of raising children and promote economic equity. (Direction de la recherche, 2024) The benefits of family allowances include its broad reach, as they provide comprehensive coverage, ensuring access for families of various income levels. It also reinforces societal values, emphasising the importance of children and family stability (OECD, 2023a). However, recent income caps have reduced benefits for higher-income families, potentially disincentivising larger families among the middle and upper classes (European Commission, 2023).

## Tax Incentives

France's progressive tax system allows families to split their taxable income among household members, significantly reducing the tax burden for larger families (Direction générale des Finances publiques, 2024). This policy encourages childbearing by directly rewarding larger households with a higher number of children. It also supports middle-income families, creating a strong link between family size and financial security (OECD, 2023b). Although the measure can be effective, since it heavily depends on income, the system disproportionately benefits wealthier families with higher income, potentially widening income inequality (European Journal of Social Policy, 2023).

## Maternity and Parental Leave

Mothers are entitled to 16 weeks of paid maternity leave (roughly 4 months), increasing with each additional child. Fathers are granted 28 days of paternity leave. Both parents can take shared parental leave, ensuring flexibility, benefitting mothers on the labour market and aiding fathers to be more involved in child-rearing (French Labour Code, 2023). In the broader spectrum, this length of parental leave is considered among the longer ones. The generous leave policies enable parents to care for young children without sacrificing financial security or professional advancement (Eurostat, 2023). Both maternity and paternity leave are widely utilised, reflecting their cultural acceptance and effectiveness (OECD, 2023b).

## Subsidised Childcare and Early Education

France offers heavily subsidised childcare through crèches and home-based care, as well as free early education starting at age 3 in kindergarten (École Maternelle). Financial support for childcare costs is also available for working parents (Ministère de l'Éducation Nationale, 2024). Free kindergarten is widely accessible, with France consistently exceeding EU childcare benchmarks, with 40% of children under three enrolled in formal childcare (OECD, 2023a). Subsidised childcare enables higher female labour force participation, at 67.2%, compared to the EU average of 62% (Eurostat, 2023). Even with state funding, access to high-quality childcare facilities varies between urban and rural areas. This disparity can further magnify the urban-countryside divide. (European Commission, 2023).

Families also can choose alternative childcare options that are partly state-funded, such as services offered by maternal assistants or nannies, who can look after children either in the family home or in their household. These caregivers are employed by the parents and are recognised as professionals, requiring specialised certification that includes training and proof of good moral standing. Families utilising this form of childcare may qualify for financial support through the PAJE programme or receive tax credits. Other alternatives include “*family crèches*,” where several maternal assistants work

together to provide shared activities for children, and “*parental crèches*,” which are established and operated by the parents themselves.

## Housing Support and Birth Grants

The *Prime de Naissance* provides a one-time financial grant for each child born or adopted, while housing subsidies assist families in acquiring adequate living spaces to support their growing needs (Ministère de la Transition, 2023).

Birth grants are essential in assisting families during the financially burdensome period associated with childbirth. In France, the healthcare system functions on a reimbursement model, necessitating families to pay medical bills initially before obtaining returns from health insurance. This system organically promotes awareness of the true costs of healthcare services, cultivating financial responsibility. The state alleviates the immediate financial load by providing birth allowances while also ensuring transparency regarding healthcare costs. These policies balance the provision of essential help with the promotion of understanding regarding the economic realities of healthcare, thus fostering a more responsible and educated society.

Notwithstanding these significant investments, France has encountered variations in fertility rates in recent decades. In 1994, the total fertility rate (TFR) reached a low of 1.66. After the enactment of active family policies in the mid-1990s, the Total Fertility Rate (TFR) rose, sustaining an average of 2.0 from 2008 to 2015.

Recent data reveals a reduction in the fertility rate, which decreased from 2.03 in 2010 to 1.68 in 2023, falling below the replacement level of 2.1 (Le Monde, 2024).

Numerous legislative initiatives have been proposed to assist families and affect fertility rates. In 1989, expenses for childminding were tax-deductible, and in 1990, the government broadened access to daycare services, establishing universal access as a subjective right for all children under three years of age. Furthermore, a new subsidy for qualified babysitters (L'aide à la famille pour l'emploi d'une assistante maternelle) was established in 1990 to encourage the hiring of accredited childminders through reductions in insurance premiums and tax benefits (Splash, 2014).

Housing assistance is a vital element of France's family policy. The *Aide Personnalisée au Logement (APL)* aims to alleviate housing expenses, yet it has been criticised for insufficiently meeting the needs of all families. Certain households, especially those with three or more children, may not qualify for APL but may get other family allowances. Notwithstanding these provisions, obstacles remain in guaranteeing fair access to cheap housing since numerous families continue to face difficulties in obtaining suitable homes (Splash, 2014).

## 4.2. Germany

Germany's family benefit system is robust, characterised by a balanced approach between cash benefits, services, and tax incentives. Services such as childcare and parental leave are well-funded, reflecting the government's focus on work-life balance. Tax breaks, including child allowances, complement cash transfers, ensuring broad support for families across income levels. Germany's spending levels are consistent with OECD averages, aligning with its social policy priorities.

Germany has implemented robust family policies to address its demographic challenges, with a Total Fertility Rate (TFR) of 1.46 in 2022, slightly below the EU average of 1.46 (Eurostat, 2022). Despite significant investments in financial incentives, parental leave, and childcare infrastructure, Germany's fertility rate remains below replacement level, reflecting broader societal challenges, economic pressures, and shifting family norms. Germany offers valuable insights into crafting pro-natalist policies that balance financial incentives with structural reforms, emphasising family stability, cultural alignment, and economic sustainability.

### Key Policy Measures in Germany

#### Parental Allowance (Elterngeld)

Established in 2007, the *Parental Allowance (Elterngeld)* is designed to provide financial support to families during the essential initial months of child-rearing. The programme provides 67% of the parent's net income, with a maximum limit of €1,800 per month, for a duration of up to 14 months. To receive the complete 14 months of leave, both parents are required to share the leave; otherwise, the allowance is limited to 12 months.

Parents with lower incomes are eligible for a replacement rate that can reach 100% of their net income, provided their monthly earnings do not exceed €1,000. In contrast, parents with higher incomes receive diminishing replacement rates, decreasing to 65% for monthly incomes exceeding €1,240. Families with multiple children or twins may receive additional benefits: a 10% increase is granted for households with older children (*Geschwisterbonus*), and parents of twins are entitled to an extra €300 per month for each child (Federal Ministry for Family Affairs, 2023).

Germany provides *ElterngeldPlus*, a programme established in 2015, which enables parents to extend their benefits for a maximum of 28 months by choosing to receive half of the monthly allowance. This flexibility supports part-time working parents by facilitating a smoother reintegration into the workforce while preserving family income. *ElterngeldPlus* allows couples to engage in part-time employment (up to 30 hours per week) while parenting, promoting economic activity for both partners.

The uptake of parental allowance among fathers has shown a consistent increase, rising from 21% in 2011 to 26.1% in 2022. Despite this positive trend, cultural norms persist in shaping caregiving roles, evidenced by the average leave duration for fathers at 3.6 months, which is considerably shorter than the 12 months typically taken by mothers. A survey conducted in 2023 indicated that financial concerns and workplace expectations discourage numerous fathers from extending their parental leave (Destatis, 2023).

In 2022, around 1.4 million women and 482,000 men utilised *Elterngeld*, indicating its extensive application. The uptake is high; however, its impact differs among income groups. For low-income families, the allowance frequently fails to meet living expenses, especially in high-cost cities such as Munich and Frankfurt. Conversely, middle and upper-income households gain advantages from the income replacement structure, which promotes enhanced work-life balance.

The German government implemented a “*Partnership Bonus*” to increase father participation, providing extra months of parental allowance when both parents engage in part-time work for a minimum of four consecutive months. This measure seeks to standardise shared parenting responsibilities and mitigate gender disparities in caregiving (OECD, 2023).

Recent policy discussions have suggested increasing the maximum limit on parental allowance, especially considering inflation and escalating living expenses. The federal budget currently allocates approximately €7 billion each year for *Elterngeld*, underscoring its significance within Germany's family support framework (Bundesministerium für Familie, 2023).

#### Parental Leave (Elternzeit)

In Germany, parents have the right to three years of job-protected parental leave (*Elternzeit*) for each child, which can be taken until the child turns eight years old. *Elternzeit* provides flexibility, allowing parents to split the leave into a maximum of three distinct periods. Parents may utilise the leave either concurrently or sequentially, tailoring it to their specific requirements (Bundesministerium für Familie, 2023).

Parents on parental leave may engage in part-time work for a maximum of 32 hours per week, allowing them to maintain workforce connectivity while managing family obligations. This part-time option is advantageous for dual-income households and parents re-entering the full-time workforce.

Parental leave regulations apply to both biological and adoptive parents. In specific instances, leave may be extended to care for grandchildren or other minors, including nieces and nephews, when the parents are unable to perform their caregiving responsibilities (Handbook Germany, 2023).

Parental leave is safeguarded by German labour law, guaranteeing that parents may resume their former roles or equivalent positions upon the conclusion of the leave period. Employers are legally restricted from terminating a parent's contract during this period, thereby enhancing job security (German Labour Code, 2023).

Disparities in leave uptake continue to exist. Women often utilise the full duration of their leave entitlement, whereas men tend to take considerably shorter periods of leave. Cultural norms and workplace expectations are significant factors affecting fathers' choices regarding the limitation of their *Elternzeit* usage.

#### Childcare Subsidies and Infrastructure

Germany provides a legal entitlement to childcare for children aged one and older to foster early childhood development and facilitate parental, particularly maternal, workforce participation. In 2022, public expenditure on early childhood education and care amounted to €40.5 billion, indicating the government's dedication to enhancing childcare services (European Commission, 2023). The enrolment rate for children under three in formal childcare rose to 35.5%, whereas for children aged three to six, it surpassed 90% (Destatis, 2023).

Notwithstanding these advancements, challenges persist. A report from 2023 estimated a nationwide shortage of 384,000 creche places, particularly in urban areas where demand exceeds supply (Federal Ministry for Family Affairs, 2023). In rural regions, insufficient access to childcare facilities intensifies existing regional disparities. The German government has allocated €4 billion to enhance nursery quality and expand infrastructure by 2025 (Bundesministerium für Familie, 2023).

#### Family Allowances (Kindergeld)

*Kindergeld* is a universal child benefit aimed at reducing the financial burden associated with child-rearing. In 2023, families are provided with €250 monthly for each child, regardless of

income level. The benefit persists unconditionally until the child reaches 18 years of age, with the possibility of extension to 25 years if the child is engaged in full-time education or vocational training. Children with disabilities are eligible for Kindergeld without any age restrictions (Bundesministerium der Finanzen, 2023).

Alongside *Kindergeld*, low-income families qualify for Kinderzuschlag, a supplementary benefit of up to €292 monthly for each child. This benefit is aimed at families whose income meets basic needs yet falls short of fully supporting their children (Bundesagentur für Arbeit, 2023).

#### Housing and Tax Benefits

Germany provides housing subsidies and tax benefits to assist families in achieving affordability and stability. Programmes like *Baukindergeld* provide financial support to first-time homebuyers, offering up to €12,000 per child, disbursed in annual instalments over a decade. The programme is aimed at families with an annual household income under €90,000, with an additional €15,000 allocated for each child (Bundesministerium für Wohnen, 2023).

*Wohngeld* offers direct rent assistance to low-income families, determined by household size, income, and housing expenses. In 2023, around 640,000 households received Wohngeld following the government's expansion of eligibility and funding in response to increasing housing costs (Destatis, 2023).

Tax deductions for dependent children provide families with a reduction in taxable income. Parents are permitted to deduct childcare expenses amounting to a maximum of €4,000 annually for each child, thereby reducing financial burdens (Bundesministerium der Finanzen, 2023).

Rising housing costs in major cities present a considerable challenge. Despite the presence of subsidies, families frequently encounter difficulties in obtaining affordable housing within competitive urban markets characterised by demand significantly surpassing supply.

Sweden has long been regarded as a global leader in family-friendly policies, with a Total Fertility Rate (TFR) of 1.53 as of 2022, higher than the EU average of 1.46 (Eurostat, 2022). Its success is attributed to a comprehensive framework that integrates generous parental leave, universal childcare, and progressive tax systems. While Sweden's policies are underpinned by progressive ideals, they also demonstrate practical benefits for demographic stability and economic participation. Sweden could offer lessons on balancing pro-natalist goals with economic sustainability while aligning policies with cultural and societal values.

## Key Policy Measures in Sweden

#### Parental Leave (Föräldrapenning)

Sweden's parental leave system is among the most extensive worldwide, providing parents with 480 days of paid leave for each child. This policy aims to promote a more equitable distribution of childcare responsibilities among parents. Of the 480 days, 90 days are allocated solely to each parent and are non-transferable. The remaining days may be allocated flexibly between parents. This measure aims to enhance fathers' involvement in early childcare, thereby fostering gender equality in domestic and professional settings (Swedish Social Insurance Agency, 2023).

The parental leave benefit generally compensates 80% of a parent's income, subject to a maximum limit of SEK 1,200 (€110) daily. Parents lacking previous income are allocated a fixed amount of roughly SEK 250 (€23) daily. The system is adaptable, permitting parents to extend leave over a longer duration until the child turns 12 years, facilitating part-time leave options to balance work and family life (OECD, 2023).

Parental leave in Sweden is widely utilised. The *Swedish Social Insurance Agency* reports that nearly all mothers take advantage of maternity leave, underscoring its cultural and economic significance. Additionally, 90% of fathers utilise parental leave, positioning Sweden as a global leader in paternal involvement. Fathers currently utilise approximately 30% of total parental leave days, reflecting the ongoing influence of cultural norms regarding caregiving responsibilities. This represents a notable rise from the early 2000s when fathers comprised only 6% of leave days (Swedish Social Insurance Agency, 2023; OECD, 2023).

The government has persistently refined policies to enhance participation among fathers. Recent data indicates that allocating non-transferable days for each parent, commonly referred to as the "*father's quota*," has significantly influenced change. In 2022, fathers' uptake rose to 33%, indicating a gradual change in societal perspectives on gender equality in parenting roles (OECD, 2023). Sweden's flexible structure enables parents to integrate part-time work with parental leave, thereby ensuring financial security and continuity of employment (Eurostat, 2023).

The Swedish model incorporates provisions for temporary parental leave, commonly known as "*VAB*" (*vård av barn, or care for a sick child*). Parents may utilise up to 120 days annually per child under 12 for the care of ill children, receiving compensation at 80% of their income. In 2022, more than 800,000 parents accessed VAB, highlighting the system's importance in offering essential short-term assistance for families (Swedish Social Insurance Agency, 2023).

Sweden's parental leave system offers substantial economic and social advantages. The policy enhances Sweden's robust labour market performance by promoting high participation

rates among both maternal and paternal workforces. Sweden's female labour force participation rate stands at 82%, significantly exceeding the EU average of 68% (Eurostat, 2023). The high participation rate is partly due to policies enabling parents to balance caregiving and work responsibilities while maintaining income security.

Sweden's parental leave system is widely acknowledged for its success; however, it still faces challenges. The fiscal sustainability of this extensive system necessitates continuous government investment, as evidenced by Sweden's allocation of about 3.5% of its GDP to family benefits, including parental leave (OECD, 2023).

#### Childcare and Early Education

Sweden provides universal access to childcare for children from the age of one, with substantial government subsidies to maintain affordability. Parents contribute fees according to their income, limited to 3% of household income per child. Additionally, *pre-school (förskola)* is provided at no cost from the age of three for a maximum of 15 hours per week (Swedish National Agency for Education, 2023).

The Swedish childcare system is extensively employed. In 2022, 96% of children aged three to five and more than 50% of children under three participated in formal childcare programmes. The participation rate notably surpasses the EU average, underscoring the efficacy of Sweden's policies in promoting early childhood education and facilitating parental workforce engagement (OECD, 2023).

Affordable childcare availability significantly contributes to Sweden's high female labour force participation rate of 82%, in contrast to the EU average of 68% (Eurostat, 2023). Sweden facilitates the return of parents, especially mothers, to the workforce shortly after parental leave, thereby integrating robust family support with economic productivity.

Regional disparities continue to pose a challenge. Urban areas such as Stockholm provide comprehensive childcare infrastructure; however, rural regions often experience restricted access to facilities as a result of lower population density. The government has implemented funding programmes to mitigate these inequalities and enhance childcare infrastructure across the nation (Swedish National Agency for Education, 2023).

#### Family Allowances (Barnbidrag)

In Sweden, families are granted a monthly child allowance (*barnbidrag*) of SEK 1,250 (€107) per child, automatically disbursed to all families with children under 16 years of age. This allowance serves as a universal benefit, providing support to all families, irrespective of income, to assist with child-rearing expenses. In cases of shared custody, the allowance is divided equally, resulting in each parent receiving SEK 625 per child per month (Swedish Social Insurance Agency, 2023).

Sweden provides a large-family supplement (*flerbarnstillägg*) to support larger families, with the amount increasing with the number of children in the household. Families with two or more children are eligible for the following supplementary payments:

- 150 SEK/month for two children.
- 730 SEK/month for three children.
- 1,740 SEK/month for four children.
- 2,990 SEK/month for five children.

These supplements address the heightened financial demands associated with raising multiple children and seek to enhance stability for larger households (Nordic Council of Ministers, 2023).

Upon reaching the age of 16, the child allowance converts to a *study allowance (studiebidrag)*, which is available to individuals aged 16–20 years engaged in full-time education. This guarantees ongoing financial assistance for families while children engage in higher education or vocational training. The study allowance is roughly SEK 1,250 monthly, corresponding to the child allowance (European Commission, 2023).

The universal and tax-exempt characteristics of Sweden's family allowances promote widespread accessibility and contribute to the reduction of child poverty. The policy fosters equity and removes the potential stigmatisation of recipients by avoiding income-based restrictions. Concerns exist regarding the fixed amount of the child allowance, which has not aligned with increasing living costs, especially in urban areas where housing and childcare expenses are markedly elevated (OECD, 2023).

#### Flexible Work Policies

Sweden's labour policies aim to facilitate work-life balance for parents, allowing for the coexistence of family responsibilities and professional obligations. According to the Parental Leave Act (*Föräldraledighetslagen*), parents may decrease their working hours by a maximum of 25% until their child reaches the age of eight or finishes the first year of school. This policy enables parents to modify their schedules to increase time spent with their children while maintaining workforce participation (Swedish Government, 2023).

Swedish labour laws also protect flexible working arrangements, including adjusted working hours and remote work options. Parents may request accommodations, especially when managing childcare responsibilities or caring for ill children or relatives. Employers are mandated to evaluate these requests, promoting a workplace culture that emphasises family welfare (Lexology, 2023).

The efficacy of these policies is evident in Sweden's workforce participation rates. In 2023, Sweden exhibits a female labour force participation rate of approximately 77%, significantly surpassing the EU average of 68%. These policies guarantee that parents, especially mothers, are not compelled to choose between their professional careers and family obligations (Business Culture, 2023; Eurostat, 2023).

Despite these advancements, reduced working hours may result in financial consequences, as salaries correlate with actual working time. Women are more inclined to utilise part-time employment opportunities, which plays a role in Sweden's ongoing gender pay gap of around 9.9% (OECD, 2023). Ongoing initiatives seek to normalise part-time work for both parents and promote equitable practices among employers to prevent disadvantages for women in career advancement (Swedish Government, 2023).

#### Tax and Housing Support

Sweden's progressive tax system encompasses various measures designed to assist families. Parents qualify for deductions on childcare expenses, thereby decreasing their total tax liability. The deductions encompass expenses for formal childcare services, including preschool and after-school programmes, which are extensively used throughout Sweden. The personal tax allowance applies to all taxpayers, varying by income and age, generally between SEK 15,000 and SEK 40,000 annually, thus providing additional relief to households (NomadTax, 2024).

Sweden offers housing allowances (*bostadsbidrag*) for families with children and low-income households, in addition to tax benefits. The Swedish Social Insurance Agency (*Försäkringskassan*) administers housing allowances to alleviate the financial burden associated with rent or mortgage payments. Eligibility is determined by factors including family size, household income, and monthly housing expenses. Families incurring housing costs exceeding SEK 1,400 monthly are eligible to apply for support, with the allowance calibrated based on income brackets (Swedish Social Insurance Agency, 2023).

The housing allowance programme is essential for providing families with access to adequate living conditions, especially in urban areas characterised by elevated housing costs. In 2022, around 130,000 households in Sweden received housing support, underscoring its significance in addressing housing inequalities. Rising property prices in cities such as Stockholm and Gothenburg have diminished the programme's effectiveness, as housing costs consistently exceed available subsidies (Eurostat, 2023; OECD, 2023).

## 4.4. Hungary

The Hungarian family policies begin in the Constitution, where it is specified that the family consists of one man and one woman and the relationship between parents and children, and declaring that it will aid its citizens in their commitment to have children. This constitutional framework also translates into practical policies. In 2014, a specific government portfolio was established for family policies. The clear distinction was set to signal that the struggle against poverty does not include family policies. Rather, Hungarian family policies aim to enable families to have as many children as they wish for and to have a long-term stable and reliable financial situation. This also includes policies aimed at the harmonisation of family life and careers,

Hungary's Total Fertility Rate (TFR) was 1.52 in 2022, below the EU average of 1.46 for that year. (Eurostat, 2022) Historically, Hungary's TFR has been among the lowest in Europe; for instance, in 2010, it recorded the lowest rate among EU Member States. (Eurostat, 2010) Hungary's spending on family policy measures is high by OECD standards, with a strong reliance on cash benefits, which constitute the largest share of expenditures. Services such as childcare and education also receive considerable funding, supporting working families. Tax reductions play a smaller but significant role in Hungary's approach, incentivising larger families and addressing demographic challenges. Hungary's family support system reflects its strategic focus on encouraging population growth and supporting family stability.

The Orbán government has favoured a more complex system of supporting families. In the year 2018, they began with the realisation of a new action plan to support the foundation of families.

Some of these policies have specific incentives in the case of rural areas to support demographic growth not only in the capital and the major cities but also in the rural areas and small towns to prevent the emptying of the capital. This includes rural housing subsidies and rural CSOK loans. Other policies, though not specifically rural-based, are implied to have a stronger effect in rural areas where costs of living are expected to be lower than in the capital.

### Key Policy Measures in Hungary

#### Family Tax Benefits (Családi adókedvezmény)

Hungary offers significant tax reductions for families with children. The amount increases with the number of children: parents with one child receive a modest monthly deduction, while those with three or more children can effectively pay no personal income tax (Hungarian Tax and Customs Authority, 2023). Directly reduces the financial burden on working families.

Claimable after the 90th day of pregnancy. It can be claimed by one of the parents, or they can decide upon the proportion.

In 2023, each taxpayer could apply for a tax benefit:

1. Of 66,670 HUF /month in case of one child
2. Of 133,330 HUF/month in the case of two children
3. Of 220,000 HUF/month in case of three or more children

Maternity and Parental Leave (GYES, GYED, and GYET)

Hungary provides three primary forms of parental benefits:

- GYES: A flat-rate benefit until the child turns three.
- GYED: Earnings-based parental allowance (up to 70% of the parent's previous income) available until the child's second birthday.
- GYET: A flat-rate benefit for parents with three or more children, available until the youngest child turns eight.

#### Childcare Subsidies and Infrastructure (Bölcsőde and Óvoda)

Hungary subsidises public daycare (*bölcsőde*) for children under three and provides free kindergarten (*óvoda*) for children aged 3–6. Subsidies are also available for private childcare facilities (Hungarian Ministry of Human Resources, 2023).

#### Family housing subsidy (CSOK and Related Measures)

Hungary offers a range of housing subsidies, including the Family Housing Support Programme (*CSOK*), which provides grants and loans to families purchasing or building homes. The benefit increases with the number of children, and interest-free loans are available for families committing to having more children (Hungarian Government, 2023).

Requirements for valid claims: Married couple, wife under 41 years old.

The extent of the loan is dependent on the number of children, equivalent to between 38,600€ to 128,500€. Repayment can be suspended after the birth of the first child, and 36,700€ is relieved with the birth of every subsequent child.

#### Maximum interest rate is 3%

Another housing policy includes a reduction of mortgage loans in case of childbirth, with additional benefits following the birth of each subsequent child.

### Universal Child Benefits (Családi pótlék)

Families receive monthly universal child benefits, ranging from HUF 12,200 (€32) to HUF 25,900 (€68) per child, depending on family composition and the number of children (Hungarian Central Statistical Office, 2023).

### Fertility Incentives (Babaváró Hitel and Car Subsidies)

Hungary offers the *Babaváró Hitel (Baby-Welcome Loan)*, an interest-free loan of up to HUF 10 million (€26,000) for families planning to have children, with partial loan forgiveness for families having two or more children. Families with three or more children can also apply for subsidies to purchase seven-seater vehicles.

### Baby-expecting subsidy

Interest-free general purpose loan up to the equivalent of 29,000 € for young married couples – if the wife is between 18 and 30 years old.

The monthly instalment of the loan is max 150€ and is to be repaid within 5 to 20 years.

Upon birth(or adoption) of the first child within the first 5 years after application, the loan is interest-free and repayment

suspended for 3 years, after the birth of (or adoption) of a second child, it is again suspense for another 3 years.

Upon birth(or adoption) of a third child, the remaining debt is entirely cancelled.

### Personal Income Tax Exemptions

The following categories of persons are exempted from paying PIT (personal income tax) in Hungary:

1. Young adults below 25 if their income is below the gross national wage
2. Mothers under the age of 30 (policy introduced on January 1st 2023), regardless of whether married or not. Includes mothers of biological or adopted children and pregnant mothers who have completed their 12th week of pregnancy
3. Mothers with four or more children

### Student loan debt benefits

Mothers under 30 who give birth during their higher education studies or within 2 years after its completion have their entire student loan cancelled.

## Key Policy Measures in Poland

### Family 800+ Programme (Program Rodzina 800+)

The *Family 800+ Programme (Rodzina 800+)* is a fundamental component of Poland's family policy, aimed at assisting families with children and enhancing their living conditions. Commencing January 1, 2024, the programme offers a monthly stipend of 800 PLN (€180) for each kid under 18, irrespective of family income (Polish Ministry of Family and Social Policy, 2024).

Launched in 2016 as *Family 500+*, the initiative sought to alleviate child poverty and support families in covering the expenses associated with child-rearing. In 2019, the benefit was broadened to encompass the first child, establishing it as a universal programme accessible to all families. The rise to 800 PLN in 2024 signifies modifications for inflation and escalating living costs (OECD, 2023).

Since June 2022, the *Social Insurance Institution (Zakład Ubezpieczeń Społecznych - ZUS)* has overseen the administration of the programme, including applications,

processing, and payments. Applications are filed electronically via government systems, facilitating access and ensuring the effective distribution of benefits (ZUS, 2022).

The initiative has dramatically reduced child poverty by 40%, particularly in low-income and rural households (OECD, 2023). This also corresponds with Poland's cultural focus on familial unity and traditional values, fostering a supportive atmosphere for families (European Journal of Demography, 2023).

The *Family 800+* program is integrated within a comprehensive framework of Polish family policy, encompassing longer parental leave, childcare subsidies, and tax benefits. These initiatives seek to enhance children's quality of life, assist working parents, and mitigate socio-economic disparities nationwide (Polish Ministry of Family and Social Policy, 2024; European Journal of Demography, 2023).

### Maternity and Parental Leave Policies

Poland's maternity and parental leave regulations offer substantial assistance to families in the initial phases of child-rearing. Female employees are entitled to 20 weeks of maternity leave, which extends to 31 weeks for twins and 33 weeks for triplets. This leave may begin as early as 6 weeks before the anticipated delivery date. During maternity leave, mothers are compensated with 100% of their wage, financed through social insurance contributions (Ministry of Family and Social Policy, 2023).

Fathers are entitled to 14 days of paternity leave, accessible till the child attains 24 months of age, and remunerated at 100% of their wage (Polish Ministry of Family and Social Policy, 2023).

After maternity leave, parents may take 32 weeks of parental leave for a single birth or 34 weeks for multiple births. This leave is shareable between both parents and can be taken either concurrently or sequentially. Recent modifications to the *Polish Labour Code*, starting April 26, 2023, established 9 weeks of non-transferable parental leave for each parent per European Union guidelines aimed at promoting paternal engagement in caregiving (OECD, 2023; Getsix, 2023). Parents obtain 81.5% of their wage if they request parental leave concurrently with maternity leave within 21 days post-childbirth. Compensation is 100% during maternity leave and 60% during parental leave (Getsix, 2023).

These policies embody a synthesis of conventional cultural norms and contemporary changes designed to equilibrate familial obligations. The utilisation of maternity leave stays consistently elevated, facilitating maternal recuperation and initial child-rearing, while changes are progressively promoting increased male involvement in childcare (OECD, 2023).

### Childcare and Early Education

The Childcare and Early Education framework in Poland aims to assist families by offering access to subsidised childcare services and early education programmes.

The *Toddler+ Programme*, initiated to improve care accessibility for children under three years of age, has experienced a substantial rise in financing in recent years. In 2021, the programme's funding was augmented to PLN 450 million to establish new childcare facilities nationwide (Polish Ministry of Family and Social Policy, 2021). By 2022, the number of nurseries had increased threefold, rising from 80,000 in 2015 to 230,000, indicating the government's dedication to enhancing childcare infrastructure (Polish Ministry of Family and Social Policy, 2022).

Pre-school Education: In Poland, pre-school education is mandatory for children at the age of 6, featuring a preparatory year referred to as “*zerówka*” before commencing primary school. Although not obligatory for 5-year-olds, numerous children commence kindergarten at this age, gaining advantages from early childhood education that fosters cognitive and social development (Eurydice, 2024).

Notwithstanding these endeavours, obstacles persist. In 2022, merely 58.2% of children from birth to the commencement of compulsory primary education engaged in early childhood education within the EU, with Poland significantly below the EU target of 96% (Eurostat, 2022). Moreover, rural regions encounter ongoing difficulties stemming from inadequate childcare infrastructure, which intensifies disparities in access to early education and care (Eurostat, 2022).

In conclusion, although Poland has made considerable progress in enhancing childcare and early education via augmented funding and policy measures, continued efforts are essential to rectify regional discrepancies and elevate participation rates to meet EU objectives.

### Housing Benefits and Family Home Programs

Poland's housing policy includes various programmes designed to enhance housing affordability and provide stability for families, especially young people and first-time homebuyers. Notable initiatives comprise the *Mieszkanie Plus program*, the *Bezpieczny Kredyt 2%*, and proposals such as the *Kredyt na Start program*.

The *Mieszkanie Plus Program* (Housing Plus programme), initiated in 2016, aims to mitigate housing shortages by offering affordable rental housing with regulated rents. The programme provides two primary options: standard rental agreements at discounted rates and rent-to-own schemes, enabling tenants to progressively attain ownership of their homes over 20 to 30 years (Ministry of Investment and Development, 2021). As of 2021, around 15,300 apartments were completed, while an additional 20,500 were under construction. The programme predominantly aids families with children and young professionals, especially those who cannot obtain conventional mortgages. Nonetheless, its implementation has encountered considerable delays and bureaucratic inefficiencies, which restrict its effectiveness, particularly in urban regions with elevated housing demand (TVN24, 2021; European Commission, 2023).

*Bezpieczny Kredyt 2%* (Safe Credit) 2%: launched in July 2023, the Safe Credit 2% programme assists first-time homebuyers by providing a government-subsidized mortgage with a fixed interest rate of 2% for the initial 10 years of repayment. The programme focuses on individuals under the age of 45 who have neither owned nor currently own residential property (Polish Ministry of Development and Technology, 2023). This initiative improves housing accessibility by substantially reducing borrowing costs in the context of increasing property prices and market interest rates.

*Kredyt na Start* (Credit for a start): The government initially proposed a 0% interest mortgage scheme but withdrew the plan in early 2024 due to budgetary constraints and implementation challenges. The government has announced plans to implement a comprehensive housing programme in 2025 designed to enhance housing accessibility and provide varied support mechanisms for homebuyers (Bankier.pl, 2024).

These housing initiatives illustrate Poland's comprehensive approach to mitigating housing shortages and facilitating family formation through enhanced access to affordable housing. Programmes such as *Mieszkanie Plus* and *Bezpieczny Kredyt 2%* have yielded measurable advantages; however, challenges continue, especially in urban regions where housing expenses are excessively elevated and infrastructure is inadequate.

## 4.6. Italy

Historically, in Italy, there were two main categories of family policies based on the desired outcome: with the target of maintaining fertility levels and with the target of alleviating child and family poverty. The main component of Italy's monetary support towards families now is General Family Allowance (*Assegno unico universale*). This allowance was put in place in 2022 to help with declining birth rates in the country. Fertility rates in Italy have plummeted, with the total fertility rate TFR at 1.24 as of 2022, leading the country into a critical demographic situation. (Eurostat, 2022) GFA, with its wide range of recipients, includes groups that usually cannot access social benefits, such as recent immigrants or unemployed people, therefore also helping with the category of child poverty, even though it was not its original intention. In practice, the sum is too little to motivate couples with higher incomes. Therefore, it is targeting lower and mid-income families.

Italy also issued a controversial *Universal Basic Income* (UBI) from 2019 to 2024. Contrary to the name, it was not universal but conditional guaranteed minimum income. It was abolished

### Tax Benefits and Incentives

Poland offers various tax incentives designed to alleviate the financial pressures on families and encourage child-rearing. The Child Tax Credit (Ulga Prorodzinna) permits parents, legal guardians, and foster families to reduce their taxable income by specified annual amounts corresponding to the number of children. The maximum annual deduction for one child is PLN 1,112.04, with progressive increases to PLN 2,000.04 for the third child. Eligibility is extended to dependent children under the age of 18 or 25 if they are pursuing education, contingent upon their income being below twelve times the social pension threshold (KPMG, 2023).

Poland implemented the tax-free amount (Kwota Wolna od Podatku) to alleviate financial stress, exempting up to PLN 30,000 of income from taxation as of January 1, 2022. This provision decreases the overall tax burden for families, especially those with lower to middle incomes (PwC, 2024).

The "Zero" Tax for Large Families (PIT-0 dla Rodzin 4+) was introduced to assist families with four or more children. This provision exempts parents from personal income tax on earnings up to PLN 85,528 per parent annually, applicable to income derived from employment contracts, civil law contracts, and self-employment activities (Accorde, 2022).

The tax benefits aim to offer progressively greater relief about family size, particularly aiding larger households and alleviating childcare expenses. Analyses indicate that the advantages primarily accrue to middle- and upper-income families, while lower-income groups experience limited benefits (OECD, 2023).

due to high cost and dissolved into two more addressable allowances: one for unemployed people and one for people who are caring for children, elderly or disabled.

Nowadays, Italy's family benefits are primarily focused on cash transfers, which form the backbone of its family policy, complemented by moderate spending on services such as childcare and education. Tax incentives, including deductions for dependents, play a smaller role. Despite relatively low spending compared to other OECD countries, Italy's policy framework aims to address demographic challenges and support family well-being. The country's emphasis on cash benefits reflects a traditional approach to family support.

The country's ageing population, coupled with economic instability and inadequate family support infrastructure, has created a demographic and economic challenge. Italy's fragmented and underfunded family policies have struggled to provide meaningful incentives for childbearing, leaving the country at a crossroads.

## Key Policy Measures in Italy

### Single Universal Allowance (Assegno Unico Universale)

The *Assegno Unico Universale* was implemented in 2022 to unify multiple family-related benefits into a singular allowance for families with children aged up to 21 years. The allowance is determined by family income, as assessed through the ISEE index, and the number of dependent children. The allowance offers up to €175 monthly per child for lower-income families, with extra supplements for third children, disabled children, or families with newborns (Ministero del Lavoro e delle Politiche Sociali, 2023).

This policy streamlines Italy's intricate family benefit framework, guaranteeing families consistent monthly financial assistance. The initiative specifically focuses on low-income households, promoting stability and child-rearing while providing flexibility for both employed and unemployed parents. Despite its importance, research indicates that the *Assegno Unico* does not adequately offset the increasing expenses associated with child-rearing, especially in urban areas such as Milan or Rome, where housing and living costs are elevated (ISTAT, 2023). Structural factors, including youth unemployment and job insecurity, constrain the efficacy of this measure in promoting family expansion (European Commission, 2023).

### Parental Leave Policies

Italian parental leave policies offer a mix of paid and unpaid leave to support families during the initial phases of child-rearing. Mothers receive five months of paid maternity leave at 80% of their salary, allocated between pre- and post-delivery periods, according to the Italian Labour Code. Fathers are entitled to 10 days of paid paternity leave, established to align with EU directives that advocate for gender equality in caregiving (Ministero del Lavoro e delle Politiche Sociali, 2023).

Both parents are entitled to six months of unpaid parental leave, which can be taken until the child turns 12 years old, in addition to maternity and paternity leave. When both parents take parental leave, the total duration can extend to 11 months, thereby encouraging shared responsibilities. The availability of paternity leave is often underutilised, primarily due to persistent cultural norms that position mothers as the main carers and discourage fathers from participating in childcare duties (Eurostat, 2023).

Short leave periods, particularly when compared to other European countries, coupled with the rigidity of the system, pose challenges for families. Dual-income households and single parents encounter challenges in managing caregiving responsibilities alongside work commitments. Proposals to modernise leave structures have been put forth; however, the pace of implementation remains slow (OECD, 2023).

### Childcare Subsidies and Early Education

Italy's early childhood education and care (ECEC) system caters to children from birth to six years, comprising two phases: services for children aged 0-3 years and pre-primary education for those aged 3-6 years.

Nurseries and supplementary services, including home-based care and child-parent centres, offer essential support for children under three. In 2019, Italy possessed approximately 14,000 daycare facilities, providing 360,000 placements for children aged 0 to 3 years. Regional disparities are evident: northern regions attain a coverage rate of 34.5 places per 100 children, whereas southern regions and islands exhibit considerably lower rates, resulting in a national average of 26%, which is below the EU target of 33% (Statista, 2024; Eurydice, 2023). Private childcare options are available; however, they entail significant out-of-pocket expenses, which can discourage low-income families, especially in rural regions. Public childcare fees receive partial subsidies, with modifications contingent upon the ISEE income indicator.

Pre-primary education (*scuola dell'infanzia*) is generally available and free for children aged 3-6 years, except for expenses associated with meals and transportation. This level is not mandatory; however, it is essential for preparing students for primary education. Italy has an enrolment rate of 93.1%, which is in proximity to the EU benchmark of 96% (Eurostat, 2023).

The Italian government is implementing reforms to unify the 0-6 ECEC system, aiming to improve access and pedagogical quality. The reforms seek to mitigate regional disparities and tackle issues related to affordability and availability, especially in southern Italy. Ongoing investment is essential to guarantee equitable access to quality early education across the nation despite existing advancements (European Commission, 2023).

### Housing Assistance Programmes

Italy's housing assistance programmes seek to tackle housing affordability issues, especially for young families and first-time homebuyers. The *First Home Bonus* (Bonus Prima Casa) alleviates the financial burden associated with home purchasing by reducing the registration tax to 2%, a decrease from the standard rate of 9%, and establishing fixed amounts for mortgage and cadastral taxes at €50 each. This benefit applies to properties that do not fall under the luxury classification and mandates that buyers establish residency in the property within 18 months of acquisition (Ministero delle Infrastrutture e dei Trasporti, 2024).

The Under-36 First Home Bonus provides tax exemptions from registration, mortgage, and cadastral taxes for individuals under 36 years old who are purchasing their first home, thereby supporting younger families. Eligibility necessitates that the annual family income (ISEE) does not exceed €40,000. The programme, extended until December 31, 2024, demonstrates

the government's initiative to enhance housing stability for younger populations (ISTAT, 2023).

Housing affordability challenges continue to exist, especially in urban centres like Rome and Milan, where property prices remain elevated. Rural areas experience inadequate funding and infrastructure, which intensifies regional disparities (OECD, 2023).

### Tax Benefits for Families

The tax benefits for families in Italy are designed to reduce financial burdens and enhance stability by providing specific relief via deductions and credits. Families with dependent children qualify for family tax credits, contingent upon the dependent's annual income not surpassing €2,840.51. The credit amount increases progressively with the number

of children, providing additional relief for larger families (Ministero dell'Economia e delle Finanze, 2018).

Families can claim deductions for expenses related to early education, nursery fees, and extracurricular activities to mitigate childcare-related costs. These deductions alleviate the financial strain associated with child-rearing, thereby enhancing the accessibility of education and childcare for middle-income families (OECD, 2023).

The benefits significantly support families; however, their effectiveness is constrained for lower-income households, which gain less due to limited taxable income. They are integral to a comprehensive family policy framework aimed at reconciling economic pressures with the promotion of family well-being (ISTAT, 2023).

## 5

# COMPARISON OF EFFECTIVE MEASURES

The various specific policies employed by different countries can be abstracted to cover six key aims of family policies:

1. *Poverty reduction and income maintenance*: This type of policy attempts to prevent families from sliding down into poverty and may be well described as a social policy directed towards families rather than family policy *per se*. It is endemic to the Anglosphere and some Protestant countries. Policies aimed at maintaining family income are essential for upholding the dignity of the family unit and promoting intergenerational stability, especially in rural and economically disadvantaged areas.
2. *Direct compensation for the economic costs of children* aimed at preventing *homo oeconomicus* from deciding against begetting children on a cost-benefit basis and at least partially level the living standard of those that have children and those that don't *ceteris paribus* (other things being equal). This usually takes the form of tax breaks or fiscal transfers. This type of policy tends to be particularly generous towards large families regardless of household income, which in the case of specific subpopulations that gravitate towards large families, yet low labour participation may cause profound social tensions. Emphasising support for traditional family structures, these policies can strengthen societal cohesion by fostering a sense of shared responsibility for the nation's future.
3. *Fostering employment* and part-time employment opportunities for mothers. This type of policy also includes prolonged maternal leave followed by a security of income and work, childcare services that allow mothers to participate at least partially at work and a tax system that also facilitates the participation of mothers at work. These policies are most prevalent in Catholic countries of the Mediterranean and the Intermarium. Encouraging flexible work arrangements that respect the natural role of mothers within families ensures that women are not forced to choose between career aspirations and raising children.
4. *Promoting equity between the sexes*: in Nordic countries, family policy also promotes the shared participation of both mothers and fathers in parental leave. In Finland, Sweden, Iceland and Norway, there is a specific "fathers quota" of parental leave that can be claimed only by fathers.
5. *Support for early childhood development*: aiming at legislating the amount of time the child is taken care of

by the parents and what amount of time the child is taken care of by childcare. Policies should prioritise parental care in the early years to ensure emotional and psychological stability for children, complementing but not replacing family-based nurturing with institutional care.

6. *Raising birth rates*: this ultimately appears to be the primary motivation of governments in countries with below-replacement-level birth rates in family policy proposals. These types of policies are aimed first at surmounting obstacles that prevent spouses from having the number of children they wish to have.

Amongst the different kinds of policy measures by the various OECD countries, we can identify five groups of policies:

- *Continuous strong support for working parents under the age of 3*: this type of family policy is present in all Nordic countries: Sweden, Finland, Norway, Denmark and Iceland. This type of family policy is thus motivated by a mix of three key motivations: Fostering employment, promoting equity between the sexes, and supporting early childhood development with a reliable network of childcare.
- *High financial support but limited support to dual-earner families with children under the age of 3*: this type of policy is prevalent in four of the founding countries of the European Union: France, Germany, Luxembourg and Belgium.
- *Short leave, but support targeted on small-income, single-parent families and families with pre-school children*: this type of policy is endemic to the countries of the Anglosphere and some Protestant countries: New Zealand, Australia, United Kingdom, Ireland, Canada, USA, Austria, Netherlands and Switzerland. However, this type of policy appears to be more aimed at combating poverty than promoting childbirth and is more of a social policy aimed at (broken) families rather than a family policy.
- *Long leave but low benefits and childcare for children under the age of three*: this type of policy is prevalent among Catholic countries of the Mediterranean and the Intermarium, such as Hungary, Poland, Slovakia, Spain, Italy and Portugal, as well as the Czech Republic and Japan.
- *Limited assistance to families* is present in South Korea and Greece.

In France, the fertility rate reached its peak in 2012 by getting at 2.01 children per woman before gradually declining to 1.79 in 2022 and 1.68 in 2023. This decline illustrates wider European patterns in which robust pro-natalist policies face challenges from societal changes, including postponed marriage, urbanisation, and prioritisation of careers. France's comparatively high fertility rates among EU nations indicate the partial success of its extensive family policies, such as subsidised childcare and generous parental leave. Maintaining these rates over the long term necessitates addressing structural challenges, including housing affordability and work-life balance pressures. Spain, Belgium, Italy and the Netherlands share a similar curve with France, though in their case, the collapse of fertility rates from the aftermath following the sexual revolution was even more dramatic. The countries illustrate the influence of cultural liberalisation on family formation, as evidenced by a decline in marriage and childbearing among couples despite differing degrees of policy support.

Germany's fertility rate was rather low from the onset and was over 1.6 between 2016 and 2022 before reversing to 1.46 in 2023. Germany faces significant demographic challenges due to a rapidly ageing population, resulting in a higher dependency ratio and increased pressure on social security systems. Recent policy changes promoting subsidised childcare and parental leave have yielded some positive outcomes; however, enduring cultural and historical preferences for smaller families persistently constrain overall fertility growth.

Swedish fertility rates have followed a sinusoidal pattern since 1968, characterised by alternating periods of increase and decrease over time, and its fertility rates appear to be rather reflective of generational cycles that family policy, as it peaked in 1990 at 2.13 before reaching a minimum in 1998 at 1.5 children per woman and then rising steadily until in 2010 when it reached 1.98 before again gradually shrinking to 1.67 in 2023.

Polish fertility rates have significantly declined since 1983, dropping from a peak of 2.3 to a low of 1.3 in 2003, before gradually rising to 1.4 in 2008, then slightly falling back to 1.3 in 2013, and increasing again to 1.5 in 2023. Poland has recently introduced financial incentives, including the "500+" (now 800+) child benefit programme and tax reductions, to promote larger families. Although these measures have produced a modest effect, underlying issues such as job insecurity, housing shortages, and inadequate childcare infrastructure continue to impede substantial fertility improvements.

The Hungarian fertility rates have been shrinking precipitously from 1.8 to 1.9 between 1983 and 1991, reaching

relatively low levels between 1998 and 2011 at 1.23 to 1.35. However, since then, it has been rising steadily to 1.58 in 2023 (Statista, 2024).

The evaluation of the success of family policies is a rather complex task. It is hardly the sole variable, as different cultures have had different family patterns and different family sizes. Some proponents of government policies may claim the success of their measures by pointing to rising birth rates following the implementation of their policies. Yet, in some cases, the mere rhythm of demographic cycles and succession of generations, with a rise in decades when the children, grandchildren and great-grandchildren of the Baby Boomers get married and move to establish their own families. Changes in demographic behaviour within the same country may be better explained by natural demographic cycles and the maturing of larger or smaller demographic cohorts as they reach the age of marriage and the lack of a "control group" *ceteribus paribus* (other things being equal) makes things more difficult. Of course, such a control group is not possible, though one may seek to compare similar countries (in terms of cultural background, economic and population structures), yet many countries have stark demographic contrasts between different subpopulations within themselves (for example, Catholics used to have more children than Protestants in Slovakia).

In dealing with country-wide numbers, it is still important to distinguish different fertility rates among different subpopulations. For example, in Israel, there is a staggering difference between the birth rates of Haredi and non-Haredi Jews. (Staetsky, 2022) In many Western European countries, communities with a different cultural background (often Islamic) are likely to stick to their demographic patterns rather than those of the majority.

A significant variable is rather intuitively the age of marriage.<sup>2</sup> Malthusian alarmists emphasise the importance of higher education of women, often not as a *finis sui ipsius* (a goal unto itself), but rather as a means to raise the age of marriage for girls, which ultimately leads to women having fewer children during their childbearing years. Thus, unsurprisingly, the sooner the women start having children, the more children they can have.

In general, it is expected that rural, agricultural and religious<sup>3</sup> populations with a deep connection to soil and culture are to maintain higher procreation rates than urban, industrial (or post-industrial) and secularised populations living in cosmopolitan megacities deracinated from both ancestral identity and soil, a fact observed already by Oswald Spengler in *Der Untergang des Abendlandes* which has been confirmed

and shown itself rather starkly in the Netherlands.<sup>4</sup> In many traditional, pre-industrial societies, there has never been any state family policy, and fertility rates remained high, also

perhaps due to the non-existence of government pension systems, which forces people to rely on their offspring for support in their retirement<sup>5</sup>.

1 Krivošík, L. (2017, December 25). Ako sa menila náboženská skladba Slovenska. Postoj. Retrieved from <https://www.postoj.sk/29411/ako-sa-menila-nabozenska-skladba-slovenska>

2 MoreBirths. (n.d.). Post discussing birth rate statistics. X (formerly Twitter). Retrieved December 19, 2024, from <https://x.com/MoreBirths/status/1867319128794546235>

3 MoreBirths. (n.d.). Post discussing family policies. X (formerly Twitter). Retrieved December 19, 2024, from <https://x.com/MoreBirths/status/1839657997099753600>

4 MoreBirths. (n.d.). Post discussing population growth strategies. X (formerly Twitter). Retrieved December 19, 2024, from <https://x.com/MoreBirths/status/1864783613159416012>

5 The scraping of the public pension system is one of the first measures introduced by the first Muslim president of France in Michel Houellebecq's *Soumission* and the Polish politician Janusz Korwin-Mikke has repeatedly called for the abolition of the public pension system for a variety of reasons, which include economic unsustainability, intergenerational justice, moral hazard and freedom of choice.

## 6

## CONCLUSION

This comparative study's findings indicate the need to incorporate wider social and economic frameworks into family policy to effectively tackle demographic challenges. Current policies primarily emphasise direct financial incentives; however, this strategy frequently neglects underlying systemic factors that affect family formation, including housing affordability, flexible working conditions, and community infrastructure. Regions experiencing economic and demographic pressures necessitate increased focus to achieve long-term demographic sustainability.

Policymakers in Europe must consider how cultural and regional diversity influences family behaviours. Addressing disparities necessitates interventions customised to the unique needs of rural and under-represented communities, where obstacles to accessing family-supportive resources persist significantly. Strategies must account for the diverse social traditions and economic conditions present across

the continent, promoting inclusivity and reinforcing shared European values.

Additionally, family policies must recognise the complementary roles of parents in child-rearing and emphasise measures that promote shared responsibilities within family dynamics. Improving parental leave systems and increasing support for families can effectively tackle the practical challenges parents encounter, fostering an environment that promotes family stability and growth while honouring cultural and societal norms.

In conclusion, demographic renewal necessitates strategies that surpass immediate fiscal solutions. Addressing systemic barriers, fostering cultural inclusivity, and aligning family policies with long-term societal goals enables European nations to create frameworks that support families while upholding principles of stability, solidarity, and prosperity.



## References

- About Hungary. (2024, May 6). Government to expand VAT cuts on homes until end of 2026. Retrieved from <https://abouthungary.hu/news-in-brief/government-to-expand-vat-cuts-on-homes-until-end-of-2026>
- Accorde. (2022). Income tax benefits for taxpayers – parents with children in 2022. Retrieved from <https://accorde.pl/Income-tax-benefits-for-taxpayers-parents-with-children-in-2022.html>
- Bankier.pl. (2024, December 12). Nie będzie “Kredytu 0 procent”. Rząd wycofuje się z pomysłu. Retrieved from <https://www.bankier.pl/wiadomosc/Nie-bedzie-kredytu-0-procent-Rzad-wycofuje-sie-z-pomyslu-8860227.html>
- Becker, G. S. (1981). *A Treatise on the Family*. Harvard University Press.
- Buhr, P., & Huinink, J. (2014). Fertility analysis from a life course perspective. In A. C. Michalos (Ed.), *Encyclopedia of Quality of Life and Well-Being Research* (pp. 2210–2215). Springer.
- Bundesagentur für Arbeit. (2023). *Kinderzuschlag: Anspruch, Höhe, Dauer*. Retrieved from <https://www.arbeitsagentur.de/familie-und-kinder/kinderzuschlag-anspruch-hoehe-dauer>
- Bundesministerium der Finanzen. (2023). *Kindergeld*. Retrieved from <https://www.bmf.bund.de/Content/DE/Standardartikel/Themen/Steuern/Steuerarten/Einkommensteuer/kindergeld.html>
- Bundesministerium für Familie, Senioren, Frauen und Jugend. (2023). *Elterngeld*. Retrieved from <https://www.bmfsfj.de/bmfsfj/themen/familie/familienleistungen/elterngeld/elterngeld-73752>
- Bundesministerium für Wohnen, Stadtentwicklung und Bauwesen. (2023). *Wohneigentum für Familien*. Retrieved from <https://www.bmwsb.bund.de/SharedDocs/kurzmeldungen/Webs/BMWSB/DE/2023/10/WEF.html>
- Business Culture. (n.d.). *Work-Life Balance in Sweden*. Retrieved from <https://businessculture.org/northern-europe/sweden/work-life-balance>
- Cleland, J., & Wilson, C. (1987). Demand theories of the fertility transition: An iconoclastic view. *Population Studies*, 41(1), 5–30.
- Council of the European Union. (n.d.). Hungary’s family policy also strengthens gender equality. Retrieved from <https://hungarian-presidency.consilium.europa.eu/en/news/hungarys-family-policy-also-strengthens-gender-equality/>
- csalad.hu. (n.d.). Ahol otthon vagy! Retrieved from <https://csalad.hu>
- Dalla-Zuanna, G., & McDonald, P. F. (2023). A change of direction for family policy in Italy: Some reflections on the general family allowance (GFA). *Genus*, 79, Article number: 12. Retrieved from <https://genus.springeropen.com/articles/10.1186/s41118-023-00193-x>
- Dearing, J. W., & Cox, J. G. (2018). Diffusion of innovations theory, principles, and practice. *Health Affairs*, 37(2), 183–190.
- Direction de la recherche, des études, de l'évaluation et des statistiques. (2024). *Les prestations familiales*. Retrieved from <https://drees.solidarites-sante.gouv.fr/sites/default/files/2024-10/MS24%20-%20Fiche%2034%20-%20Les%20prestations%20familiales.pdf>
- Direction générale des Finances publiques. (2024). *French tax law*. Retrieved from <https://www.impots.gouv.fr/brochure-la-fiscalite-francaise-version-anglaise-french-tax-law-brochure>
- Doepke, M., Kindermann, F. (2016). Bargaining over Babies: Theory, Evidence, and Policy Implications;
- Easterlin, R. A. (1980). *Birth and Fortune: The Impact of Numbers on Personal Welfare*. Basic Books.
- Esping-Andersen, G. (2009). *The Incomplete Revolution: Adapting to Women’s New Roles*. Polity Press.
- Eurochild. (2022, June 27). Italy’s Child Guarantee National Action Plan – An overview. Retrieved from <https://eurochild.org/resource/italys-child-guarantee-national-action-plan-an-overview/>
- European Commission. (2024). Education and care policy reforms in Italy. Retrieved from <https://economy-finance.ec.europa.eu>
- European Commission. (2024). *Your social security rights in Sweden*. Retrieved from <https://ec.europa.eu/social/BlobServlet?docId=13776>
- European Commission. (n.d.). Economy and finance. Retrieved from <https://economy-finance.ec.europa.eu>
- European Journal of Demography. (2020). Poland’s Family Policies: Impact and Trends. Retrieved from [https://link.springer.com/content/pdf/10.1007/978-3-030-54618-2\\_9.pdf](https://link.springer.com/content/pdf/10.1007/978-3-030-54618-2_9.pdf)
- Eurostat. (2022). Early childhood education statistics. Retrieved from <https://ec.europa.eu/eurostat/statistics-explained/SEPDF/cache/107265.pdf>
- Eurostat. (2022). Education and training statistics at regional level. Retrieved from <https://ec.europa.eu/eurostat/statistics-explained/index.php?oldid=652612>
- Eurostat. (2024). Early childhood education statistics. Retrieved from <https://ec.europa.eu/eurostat/statistics-explained/index.php?oldid=573561>
- Eurostat. (n.d.). *Labor Force Participation Rates in the EU*. Retrieved from <https://ec.europa.eu/eurostat>
- Eurostat. (n.d.). *Statistics Explained*. Retrieved from <https://ec.europa.eu/eurostat/statistics-explained>
- Eurostat. (n.d.). *Statistics Explained*. Retrieved from <https://ec.europa.eu/eurostat/statistics-explained>
- Eurydice. (2023). Early childhood education and care in Poland. Retrieved from <https://eurydice.eacea.ec.europa.eu/national-education-systems/poland/early-childhood-education-and-care>
- Eurydice. (2024). Early childhood education and care. Retrieved from <https://eurydice.eacea.ec.europa.eu/national-education-systems/italy/early-childhood-education-and-care>
- Federal Employment Agency. (n.d.). Retrieved from <https://www.arbeitsagentur.de>
- Federal Ministry for Family Affairs, Senior Citizens, Women and Youth. (n.d.). *Elterngeld*. Retrieved from <https://www.bmfsfj.de>
- Federal Ministry for Family Affairs, Senior Citizens, Women and Youth. (n.d.). *Parental Leave*. Retrieved from <https://www.bmfsfj.de/bmfsfj/themen/familie/familienleistungen/elterngeld/elterngeld-73832>
- Federal Ministry of Housing. (n.d.). Retrieved from <https://www.bmwsb.bund.de>
- Financial Times. (2023, September 13). Birth rates in rich countries halve to hit record low. Retrieved from <https://www.ft.com/content/f0d2a5a7-e5ef-4044-8380-ff690b609a5a>
- French Labour Code. (2023). *Code du travail*. Retrieved from <https://www.legifrance.gouv.fr/codes/id/LEGITEXT000006072050/>
- Fundación Disenso. (2022). Family policy in Hungary: The child comes first. Retrieved from <https://fundaciondisenso.org/wp-content/uploads/2022/10/FAMILY-POLICY-IN-HUNGARY-THE-CHILD-COMES-FIRST.pdf>
- Gauthier, A. H. (1996). *The state and the family: A comparative analysis of family policies in industrialised countries*. Oxford University Press.
- German Federal Statistical Office (Destatis). (n.d.). *Parental Allowance and Leave*. Retrieved from <https://www.destatis.de>
- German Labour Code. (n.d.). *Parental Leave Regulations*. Retrieved from <https://www.gesetze-im-internet.de/beeg/>
- Getsix. (2023). Amendments to the Polish Labour Code. Retrieved from <https://getsix.eu/human-resources-payroll-in-poland/amendments-to-the-polish-labour-code/>
- Handbook Germany. (n.d.). *Elternzeit – Parental Leave in Germany*. Retrieved from <https://handbookgermany.de/en/parental-leave>
- Hungarian Central Statistical Office. (n.d.). Retrieved from <https://www.ksh.hu>
- Hungarian Government. (2016). *Putting Families at the Core: the Family Housing Support Program (CSOK)*. Retrieved from <https://abouthungary.hu/issues/putting-families-at-the-core-the-family-housing-support-program-csok/>
- Hungarian Ministry of Human Resources. (2014). *Kindergarten and childcare support are complementary*. Retrieved from <https://2010-2014.kormany.hu/en/ministry-of-human-resources/news/kindergarten-and-childcare-support-are-complementary>
- Hungarian Tax and Customs Authority. (2023). *Family tax benefits*. Retrieved from [https://nav.gov.hu/en/taxation/family\\_tax\\_benefits](https://nav.gov.hu/en/taxation/family_tax_benefits)
- ISTAT. (2024). Annual report on family welfare and regional disparities. Retrieved from <https://www.istat.it/en/archive/annual-report>
- Kok, J. (2007). Principles and Practices in European Family Policy;
- KPMG Poland. (2023, February 13). KPMG Weekly Tax Review 06 FEB - 13 FEB 2023. Retrieved from <https://kpmg.com/pl/en/home/insights/2023/02/kpmg-weekly-tax-review-06-feb-13-feb-2023.html>
- Krivošik, L. (2017, December 25). Ako sa menila náboženská skladba Slovenska. *Postoj*. Retrieved from <https://www.postoj.sk/29411/ako-sa-menila-nabozenska-skladba-slovenska>
- Le Monde. (2024, September 13). Why the French are having fewer children. Retrieved from [https://www.lemonde.fr/en/france/article/2024/09/13/why-the-french-are-having-fewer-children\\_6725951\\_7.html](https://www.lemonde.fr/en/france/article/2024/09/13/why-the-french-are-having-fewer-children_6725951_7.html)

- Lesthaeghe, R. (1983). A century of demographic and cultural change in Western Europe: An exploration of underlying dimensions. *Population and Development Review*, 9(3), 411–435.
- Lesthaeghe, R. (2010). The second demographic transition revisited: Theories and expectations. In J. Surkyn, P. Deboosere, & J. Van Bavel (Eds.), *Demographic Challenges for the 21st Century: A State of the Art in Demography* (pp. 81–126). VUBPRESS.
- Lesthaeghe, R., & Surkyn, J. (1988). Cultural dynamics and economic theories of fertility change. *Population and Development Review*, 14(1), 1–45.
- Lexology. (2023, March 1). *Changes to Flexible Working in Sweden*. Retrieved from <https://www.lexology.com/library/detail.aspx?g=90044b30-23dd-4589-b103-60f87e33fcfb>
- Lutz, W. (1987). Culture, religion, and fertility: A global view. *Genus*, 43(3/4), 15–34.
- McDonald, P. (2000). Gender equity in theories of fertility transition. *Population and Development Review*, 26(3), 427–439.
- Ministère de l'Éducation Nationale. (2024). *L'école maternelle*. Retrieved from <https://www.education.gouv.fr/l-ecole-maternelle-11534>
- Ministère de la Transition Écologique et de la Cohésion des Territoires. (2024). *Les aides financières au logement*. Retrieved from <https://www.financement-logement-social.logement.gouv.fr/1-edition-2024-de-la-plaquette-des-aides-a2219.html>
- Ministero del Lavoro e delle Politiche Sociali. (2023). *Legge di Bilancio 2023*. Retrieved from <https://www.lavoro.gov.it/notizie/pagine/legge-di-bilancio-2023>
- Ministero dell'Economia e delle Finanze. (2018). *Redistribution in real-world from Italian tax records*. Retrieved from [https://www.finanze.gov.it/export/sites/finanze/.galleries/Documenti/Varie/dfwp2\\_2018-1.pdf](https://www.finanze.gov.it/export/sites/finanze/.galleries/Documenti/Varie/dfwp2_2018-1.pdf)
- Ministero delle Infrastrutture e dei Trasporti. (2024). *Fondo piccoli comuni: pubblicato l'avviso, istanze entro il 29 marzo*. Retrieved from <https://www.mit.gov.it/comunicazione/news/fondo-piccoli-comuni-pubblicato-lavviso-istanze-entro-il-29-marzo>
- Ministry of Development and Technology. (2023). *Bezpieczny Kredyt 2%*. Retrieved from <https://www.gov.pl/web/rozwoj-technologie/bezpieczny-kredyt>
- Ministry of Family and Social Policy. (2021). “Toddler+” 2021 – 450 million Polish zlotys for the development of nurseries and children’s clubs in Poland. Retrieved from <https://www.gov.pl/web/family/toddler-2021-450-million-polish-zlotys-for-the-development-of-nurseries-and-childrens-clubs-in-poland>
- Ministry of Family and Social Policy. (2022). The Sejm about the new Toddler+ programme. Retrieved from <https://www.gov.pl/web/family/the-sejm-about-the-new-toddler-programme>
- Ministry of Family and Social Policy. (2023). Family 800+ Program. Retrieved from <https://www.gov.pl/web/family/family-800>
- Ministry of Family and Social Policy. (2023). Maternity Leave. Retrieved from <https://www.gov.pl/web/family/maternity-leave>
- Ministry of Family and Social Policy. (2023). Paternity Leave. Retrieved from <https://www.gov.pl/web/your-europe/parenthood-related-rights>
- Ministry of Investment and Development. (n.d.). Mieszkanie Plus. Retrieved from <https://www.gov.pl/web/archiwum-inwestycje-rozwoj/mieszkanie-plus>
- More Births. (2023, September 12). Family-oriented policies are key to reversing demographic trends. Retrieved from <https://x.com/MoreBirths/status/1839657997099753600>
- More Births. (2023, September 14). The role of cultural shifts in influencing fertility rates. Retrieved from <https://x.com/MoreBirths/status/1864783613159416012>
- More Births. (2023, September 15). Improving birth rates requires supporting families. Retrieved from <https://x.com/MoreBirths/status/1867319128794546235>
- NomadTax. (2023, March 7). Tax guide for expats in Sweden. Retrieved from <https://www.nomadtax.se/en/post/taxguide-for-expats-in-sweden>
- Nordic Council of Ministers. (n.d.). *Child Allowance and Family Benefits*. Retrieved from <https://www.norden.org/en/info-norden/child-allowance-sweden>
- OECD iLibrary. (2023). Supporting equal parenting: Paid parental leave. Retrieved from [https://www.oecd-ilibrary.org/social-issues-migration-health/joining-forces-for-gender-equality\\_8f056391-en](https://www.oecd-ilibrary.org/social-issues-migration-health/joining-forces-for-gender-equality_8f056391-en)
- OECD. (2023, January). *Paid Parental Leave: Big Differences for Mothers and Fathers*. Retrieved from <https://www.oecd.org/en/blogs/2023/01/Paid-parental-leave--Big-differences-for-mothers-and-fathers.html>
- OECD. (2023, January). Paid parental leave: Big differences for mothers and fathers. Retrieved from <https://www.oecd.org/en/blogs/2023/01/Paid-parental-leave--Big-differences-for-mothers-and-fathers.html>
- OECD. (2023). Child Poverty Reduction in Poland. Retrieved from [https://www.oecd.org/els/family/CWBDP\\_Factsheet\\_POL.pdf](https://www.oecd.org/els/family/CWBDP_Factsheet_POL.pdf)
- OECD. (2024, June 21). *OECD Family Database*. Retrieved from <https://www.oecd.org/els/family/database.htm>
- OECD. (2024). Family database and housing policy statistics. Retrieved from <https://www.oecd.org/els/family/database.htm>
- OECD. (2024). Taxing wages 2024. Retrieved from [https://www.oecd.org/en/publications/taxing-wages-2024\\_dbcbac85-en.html](https://www.oecd.org/en/publications/taxing-wages-2024_dbcbac85-en.html)
- OECD. (n.d.). *Enrolment in Childcare and Early Education*. Retrieved from <https://www.oecd.org/els/family/database.htm>
- OECD. (n.d.). Family Database. Retrieved from <https://www.oecd.org/els/family>
- OECD. (n.d.). *Gender Data Portal*. Retrieved from <https://www.oecd.org/gender/data>
- OECD. (n.d.). *Parental Leave Policies in Germany*. Retrieved from <https://www.oecd.org/family/>
- Preston, S. H. (1986). The decline of fertility in non-European industrialized countries. In A. J. Coale & S. C. Watkins (Eds.), *The Decline of Fertility in Europe* (pp. 15–31). Princeton University Press.
- PwC. (2023). Poland - Individual - Other tax credits and incentives. Retrieved from <https://taxsummaries.pwc.com/poland/individual/other-tax-credits-and-incentives>
- Rürup, B., Gruescu, S. (2003). Nachhaltige Familienpolitik im Interesse einer aktiven Bevölkerungsentwicklung.
- Social Insurance Institution (ZUS). (2021). Social Security in Poland. Retrieved from <https://www.zus.pl/documents/10182/167615/Social%20Security%20in%20Poland/71ffe1b1-c142-48fa-a67b-0c7e1cec6eb6>
- SPLASH. (2014). *Family policies in France*. Retrieved from <https://splash-db.eu/policydescription/family-policies-france-2014>
- Staetsky, L. D. (2020). The global Haredi population. *Haredi Research Group*. Retrieved from <https://www.harediresearchgroup.org/haredi-demography>
- Statista. (2023). The Global Leaders and Laggards in Parental Leave. Retrieved from <https://www.statista.com/chart/28974/parental-leave-for-mothers-and-fathers-global-comparison/>
- Statista. (2024). Early childcare rate in Italy 2019, by macro-region. Retrieved from <https://www.statista.com/statistics/1274202/coverage-of-early-childcare-in-italy-by-macro-rate/>
- Sweden.se. (n.d.). *Work-Life Balance in Sweden*. Retrieved from <https://sweden.se/work-business/working-in-sweden/work-life-balance>
- Swedish Government. (1995). *Parental Leave Act (Föräldraledighetslagen)*. Retrieved from <https://www.government.se/contentassets/d163a42edcea4638aa112f0f6040202b/sfs-1995584-parental-leave-act>
- Swedish National Agency for Education. (n.d.). *Childcare and Pre-School System in Sweden*. Retrieved from <https://www.skolverket.se/andra-sprak-other-languages/english-engelska>
- Swedish Social Insurance Agency. (n.d.). *Child Allowance in Sweden (Barnbidrag)*. Retrieved from <https://www.forsakringskassan.se/english/parents/child-allowance>
- Swedish Social Insurance Agency. (n.d.). *Föräldrapenning – Parental Leave in Sweden*. Retrieved from <https://www.forsakringskassan.se>
- Swedish Social Insurance Agency. (n.d.). Housing allowance for families with children. Retrieved from <https://www.forsakringskassan.se/english/parents/housing-allowance-for-families-with-children>
- Swedish Social Insurance Inspectorate. (n.d.). *Parental Leave and Fathers' Quota*. Retrieved from <https://www.inspsf.se>
- Testa, M. R. (2012). Family sizes in Europe: Evidence from the 2011 Eurobarometer Survey;
- Thevenon, O. (2011). Family policies in OECD countries: A comparative analysis. *Population and Development Review*, 37(1), 57–87. Retrieved from <https://www.jstor.org/stable/23043262>
- TVN24. (2021). Mieszkanie Plus: Evaluation of Program Implementation. Retrieved from <https://tvn24.pl/biznes/z-kraju/mieszkanie-plus-ocena-realizacji-programu-raport-nik-st5646200>
- Vienna Institute of Demography, International Institute for Applied Systems Analysis, & Population Reference Bureau. (2008). *European demographic data sheet online*.

## ANNEX

## Public spending on Family benefits 2014–2019 as % of GDP (OECD)

Country	Category	2014	2015	2016	2017	2018	2019
France	<b>Total</b>	N/A	3.73	3.64	3.67	N/A	3.73
	<b>Cash</b>	1.60 (N/A)	1.70 (46%)	1.61 (44%)	1.56 (42%)	1.58 (N/A)	1.58 (42%)
	<b>Services</b>	1.21 (N/A)	1.30 (35%)	1.31 (36%)	1.31 (36%)	1.34 (N/A)	1.40 (38%)
	<b>Tax breaks</b>	N/A	0.73 (20%)	0.72 (20%)	0.81 (22%)	0.00 (N/A)	0.75 (20%)
Germany	<b>Total</b>	N/A	3.00	3.07	2.98	3.01	3.06
	<b>Cash</b>	1.16 (N/A)	1.32 (44%)	1.28 (42%)	1.22 (41%)	1.19 (40%)	1.16 (38%)
	<b>Services</b>	0.75 (N/A)	0.86 (29%)	0.91 (30%)	0.92 (31%)	0.98 (33%)	1.06 (35%)
	<b>Tax breaks</b>	N/A	0.82 (27%)	0.88 (29%)	0.84 (28%)	0.85 (28%)	0.85 (28%)
Sweden	<b>Total</b>	3.30	3.48	3.37	3.37	3.49	3.54
	<b>Cash</b>	1.40 (42%)	1.47 (42%)	1.42 (42%)	1.39 (41%)	1.42 (41%)	1.43 (40%)
	<b>Services</b>	1.90 (58%)	2.02 (58%)	1.95 (58%)	1.98 (59%)	2.08 (60%)	2.12 (60%)
	<b>Tax breaks</b>	N/A	0.00 (0%)	0.00 (0%)	0.00 (0%)	0.00 (0%)	0.00 (0%)
Hungary	<b>Total</b>	N/A	3.39	3.40	3.79	3.69	3.58
	<b>Cash</b>	2.16 (N/A)	2.27 (67%)	2.19 (64%)	2.05 (54%)	2.00 (54%)	1.89 (53%)
	<b>Services</b>	1.08 (N/A)	1.12 (33%)	1.17 (34%)	1.11 (29%)	1.06 (29%)	1.08 (30%)
	<b>Tax breaks</b>	N/A	0.00 (0%)	0.05 (2%)	0.63 (17%)	0.63 (17%)	0.61 (17%)
Poland	<b>Total</b>	1.25	1.77	1.75	1.67	1.72	1.79
	<b>Cash</b>	0.74 (59%)	0.75 (42%)	0.78 (45%)	0.71 (43%)	0.67 (39%)	0.70 (39%)
	<b>Services</b>	0.51 (41%)	0.54 (31%)	0.55 (31%)	0.58 (35%)	0.67 (39%)	0.71 (40%)
	<b>Tax breaks</b>	N/A	0.48 (27%)	0.42 (24%)	0.38 (23%)	0.37 (22%)	0.37 (21%)
Italy	<b>Total</b>	N/A	1.95	1.78	1.79	1.85	1.97
	<b>Cash</b>	0.65 (N/A)	0.79 (41%)	0.66 (37%)	0.69 (39%)	0.72 (39%)	0.75 (38%)
	<b>Services</b>	0.67 (N/A)	0.68 (35%)	0.66 (37%)	0.63 (35%)	0.65 (35%)	0.66 (34%)
	<b>Tax breaks</b>	N/A	0.47 (24%)	0.46 (26%)	0.47 (26%)	0.47 (25%)	0.56 (28%)

## Notes:

- “N/A” indicates missing or unavailable data.
- Values represent the percentage of GDP allocated to family benefits in each category.





**newdirection.online @europeanreform**

**New Direction** is registered in Belgium as a not-for-profit organisation and is partly funded by the European Parliament. The European Parliament and New Direction assume no responsibility for the opinions expressed in this publication. Sole liability rests with the author.