

# Why Child Poverty in Cyprus is so Low

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## **Abstract**

This paper shows that the low overall child poverty in Cyprus can be attributed to four reasons: the generosity of the child benefit system to large families, the high labour market participation among parents, the high poverty risk among pensioners and the small proportion of lone mothers in the population. Child poverty is likely to increase in the future as the maturing of the state pension system raises the incomes of retirees above the poverty line and the number of single parent families continues to increase over time. In order to maintain child poverty to its current low levels, the Cyprus government needs to raise the level of child support throughout the benefit system and change the eligibility criteria of the supplementary child benefit to improve targeting.

**Keywords:** Child poverty, benefit system, Cyprus.