



Social Redistribution, Poverty and the Adequacy of Social Protection

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Outline

1. Aim
2. Trends in pre- and post transfer poverty for population active age
3. Trends in pre- and post transfer poverty for work poor and work rich households
4. Trends in more direct policy indicators: average benefit levels and theoretical tax benefit packages



Aim

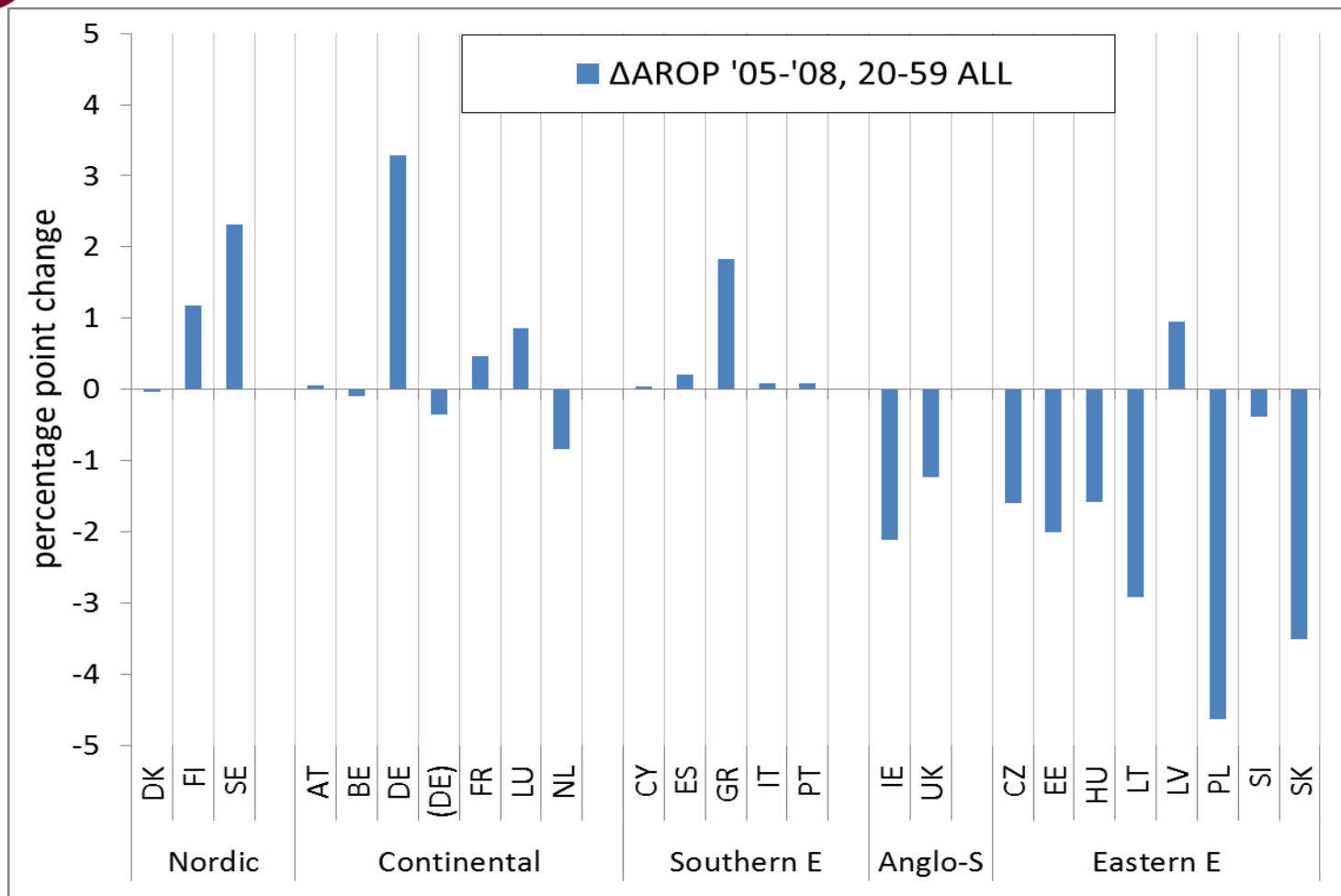
Aim:

investigate trends in poverty and poverty reduction in EU countries on the basis of ECHP/SILC

Underlying question:

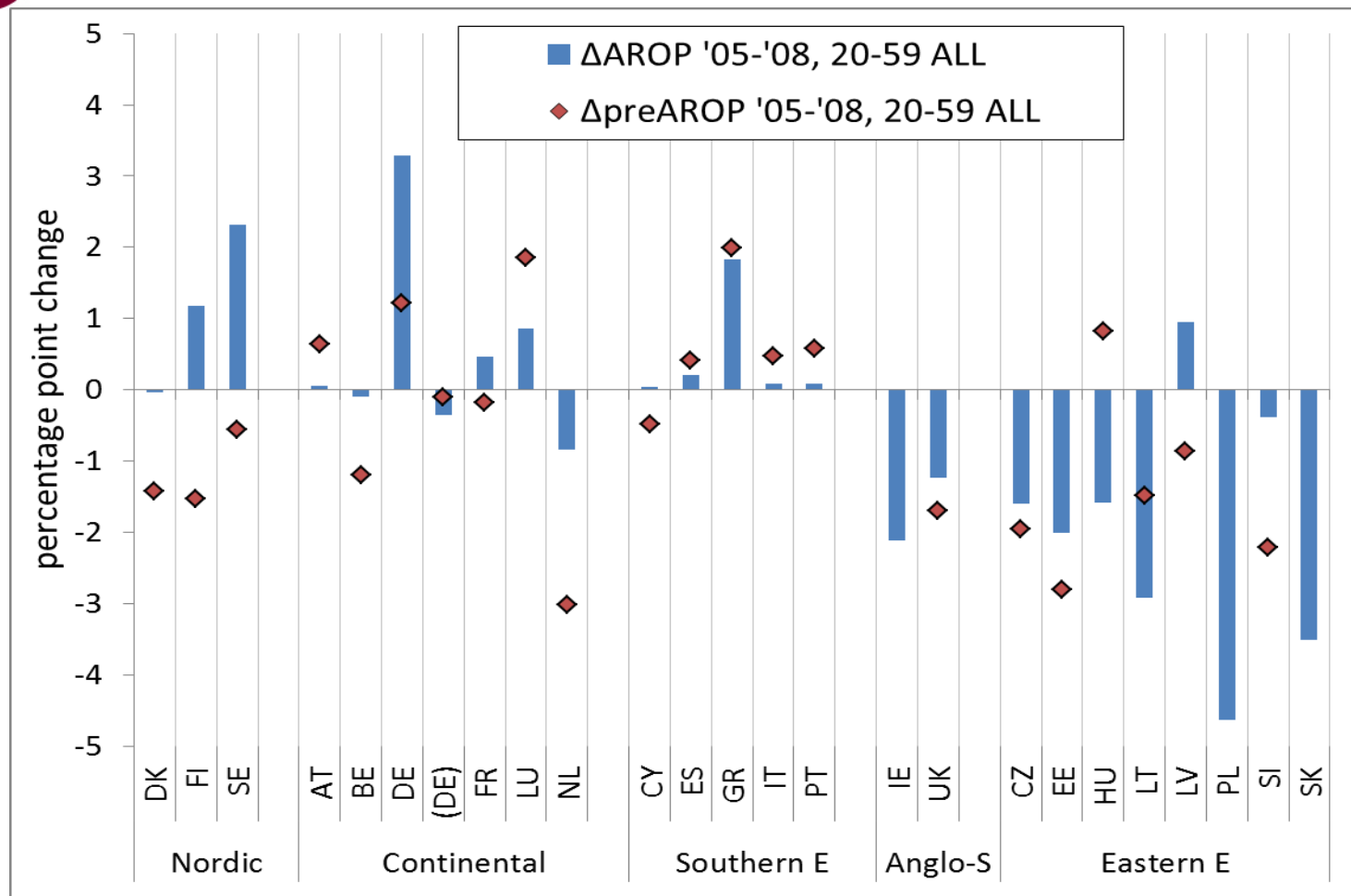
How has the shifting balance between primary objectives of social security (social insurance – poverty reduction – prevention) affected the poverty reducing capacity of social transfers?

Post transfer poverty trends 2000s



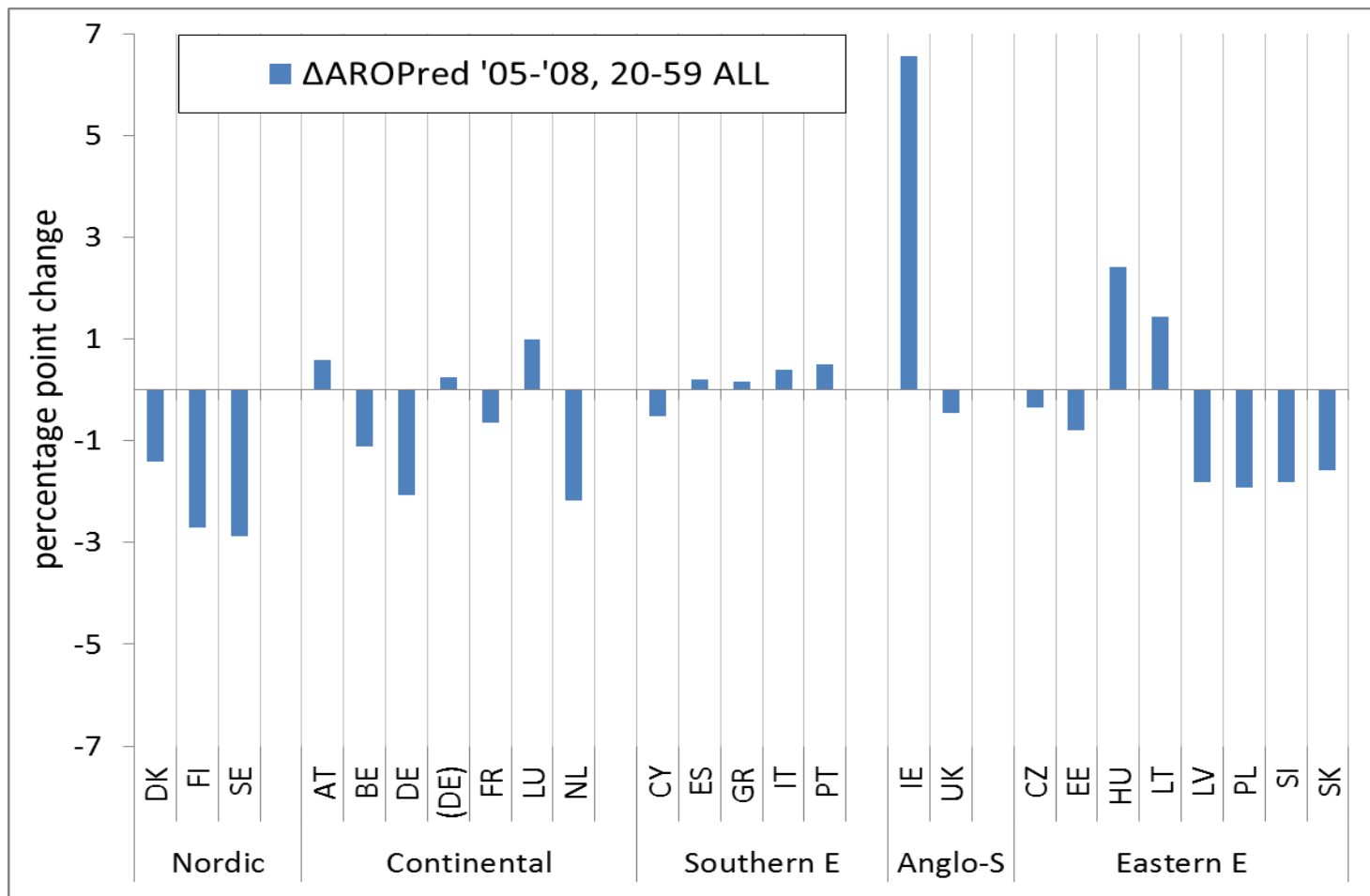
Source: own calculations EU-SILC and SOEP (2005-2008)

Pre-transfer poverty trends 2000s



Source: own calculations EU-SILC and SOEP (2005-2008)

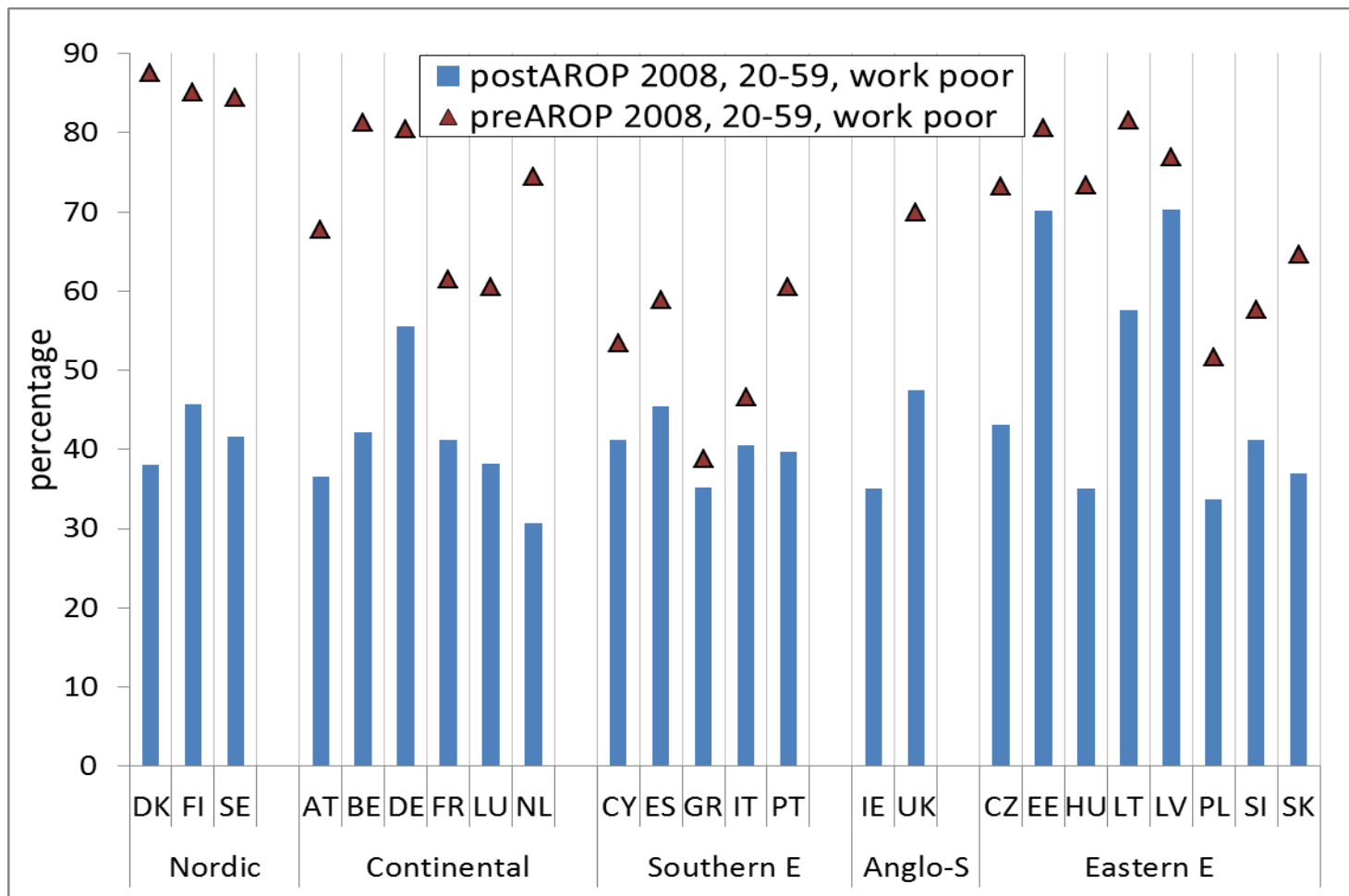
Trends in poverty reduction 2000s



Source: own calculations EU-SILC and SOEP (2005-2008)



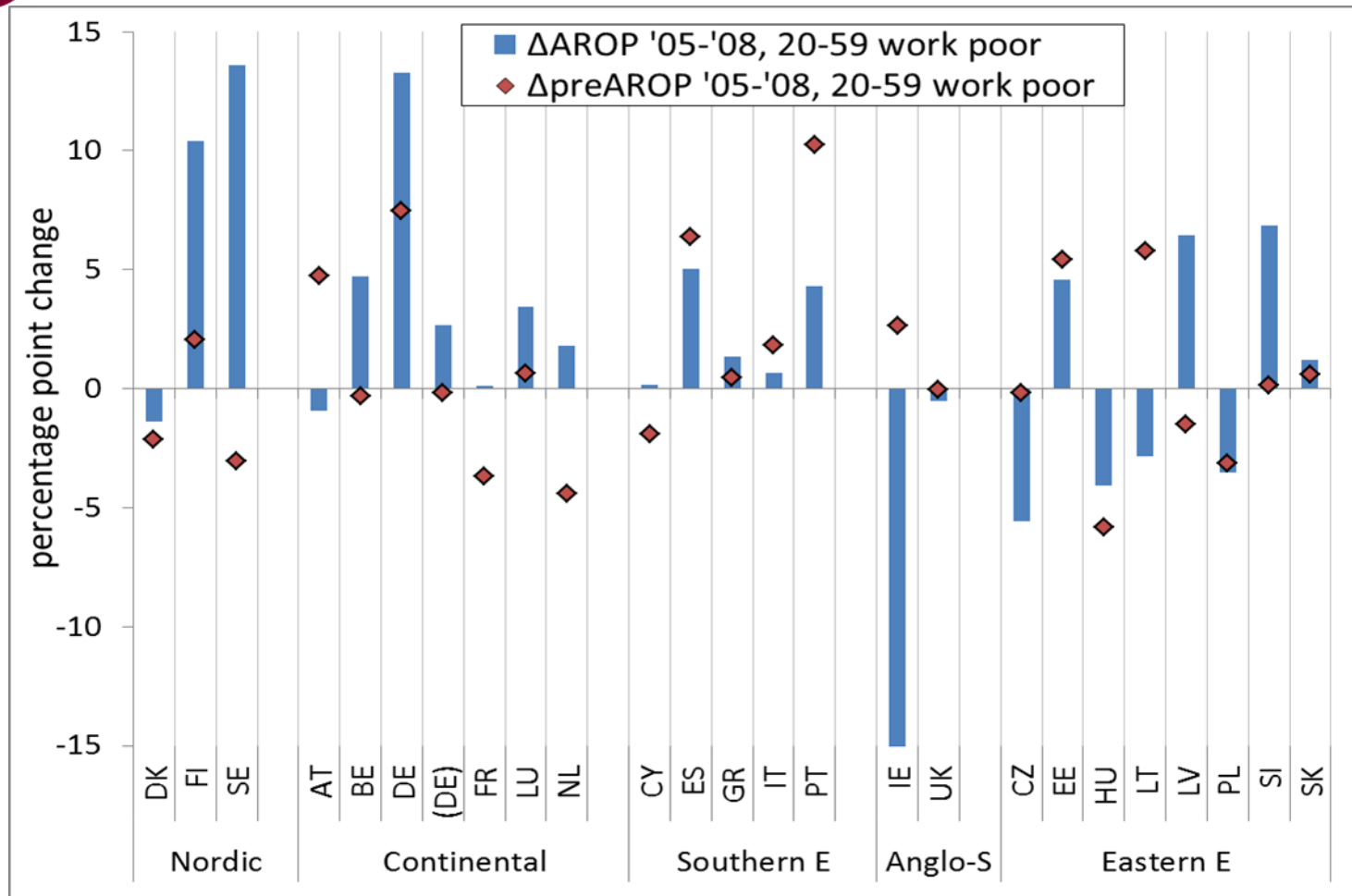
The work poor: levels



Source: own calculations EU-SILC and SOEP (2005-2008)



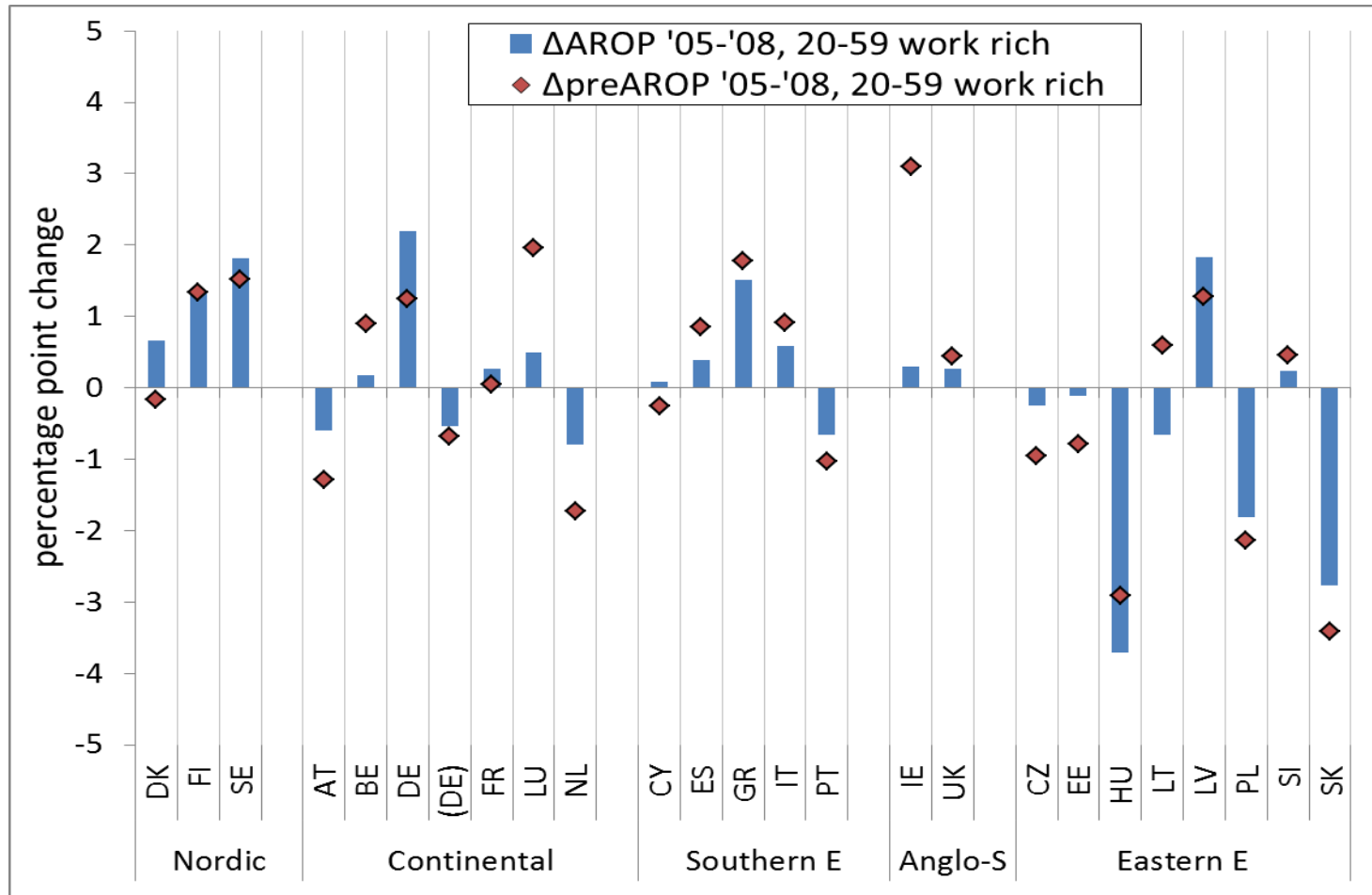
The work poor: trends



Source: own calculations EU-SILC and SOEP (2005-2008)



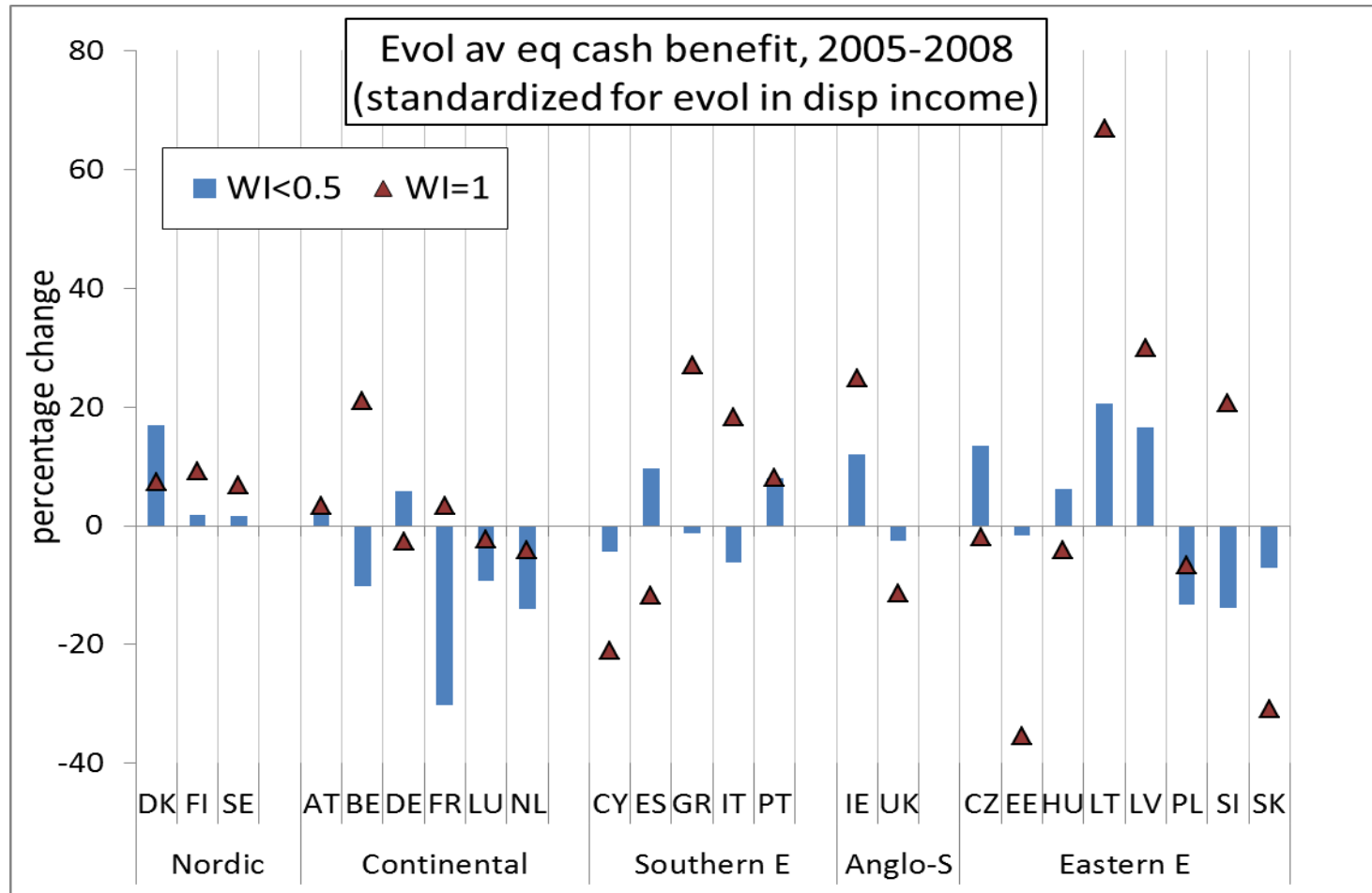
The work rich: trends



Source: own calculations EU-SILC and SOEP (2005-2008)

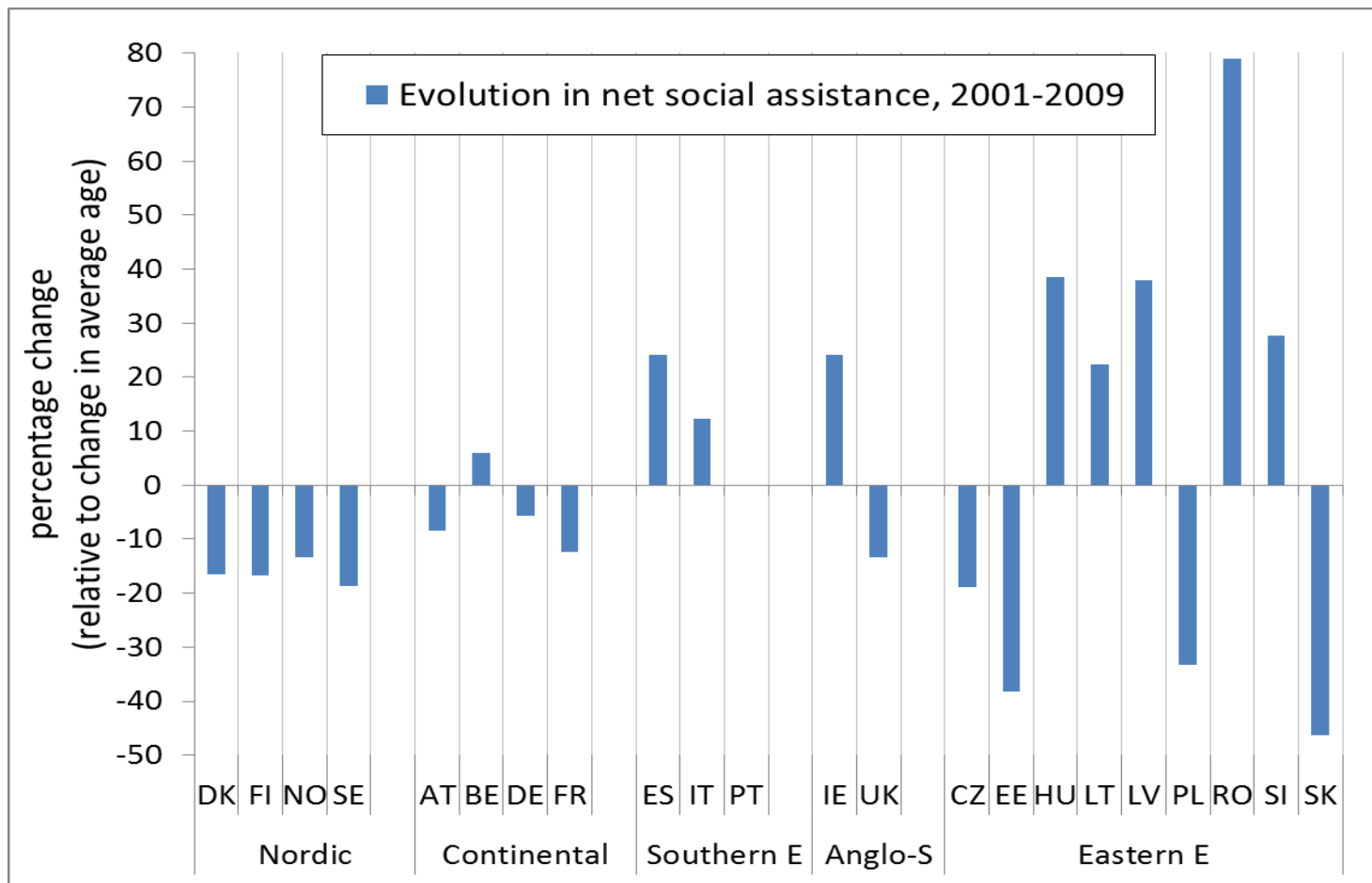


Average benefits



Source: own calculations EU-SILC and SOEP (2005-2008)

Minimum income protection trends



Source: CSB Minimum income protection indicators (MIPI) dataset



Conclusion

1. Few countries are to be found where favourable pre crisis employment conditions were translated in declining poverty rates

-> redistributive impact of social transfers declined especially in the Nordic cluster

2. Decreases in poverty reduction through social transfers affected work-poor households in particular

-> supported by more direct policy indicators such as average benefit levels and theoretical tax benefit packages



Future research agenda

Micro-simulation and in-depth study of country-specific trajectories to provide more insight in possibilities to

1. Reduce the proportion of work-poor households
2. Improve adequacy of minimum income protection