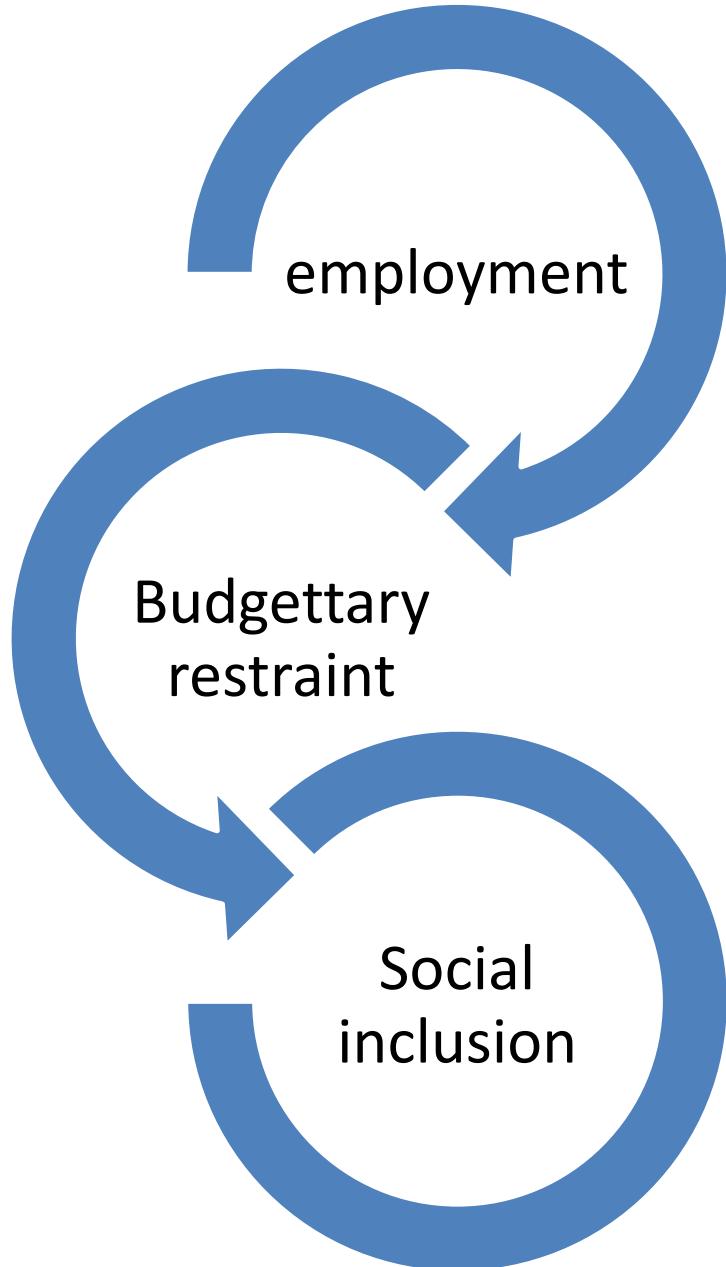


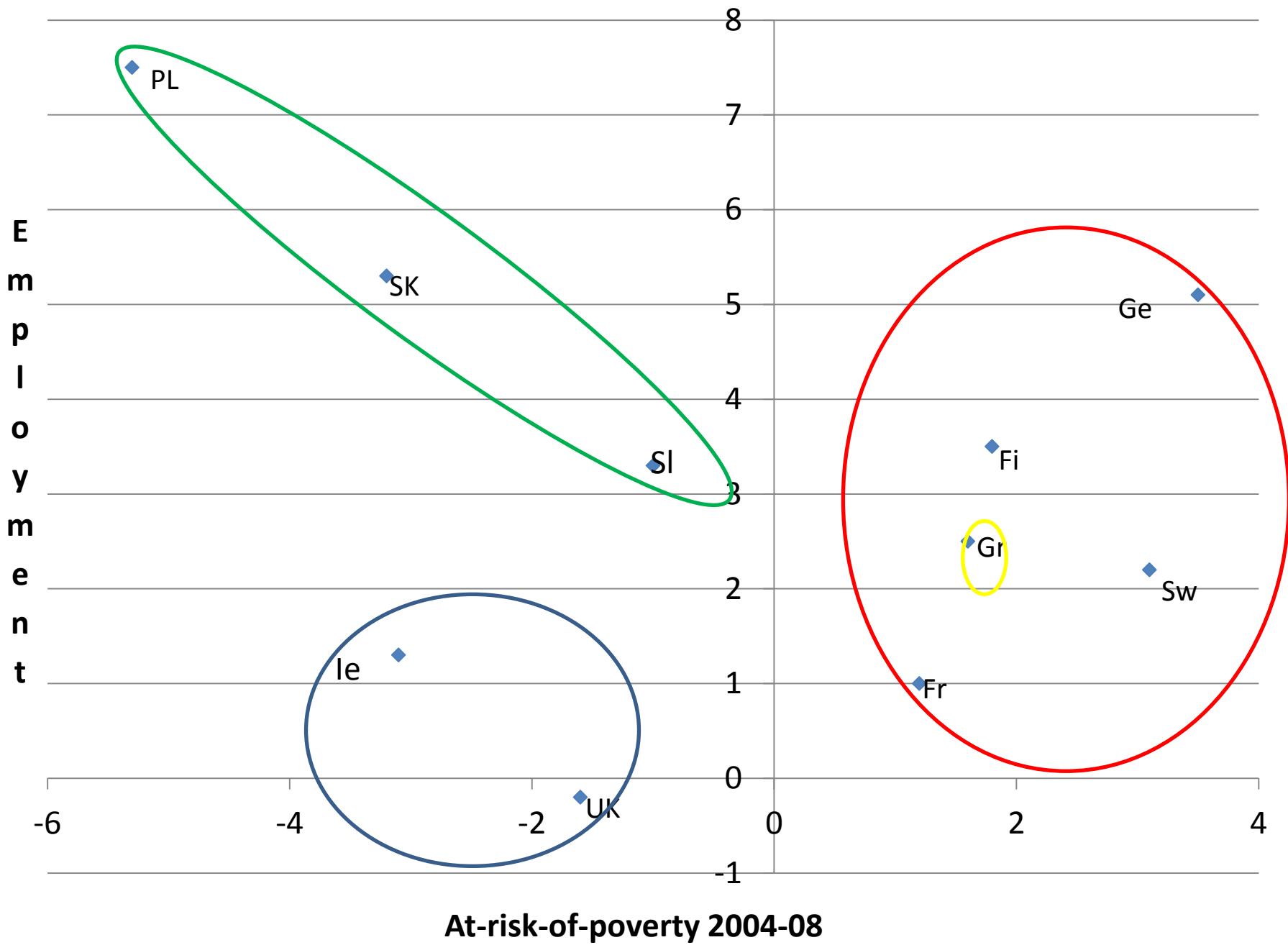
# Household work intensity and the adequacy of social protection in the EU

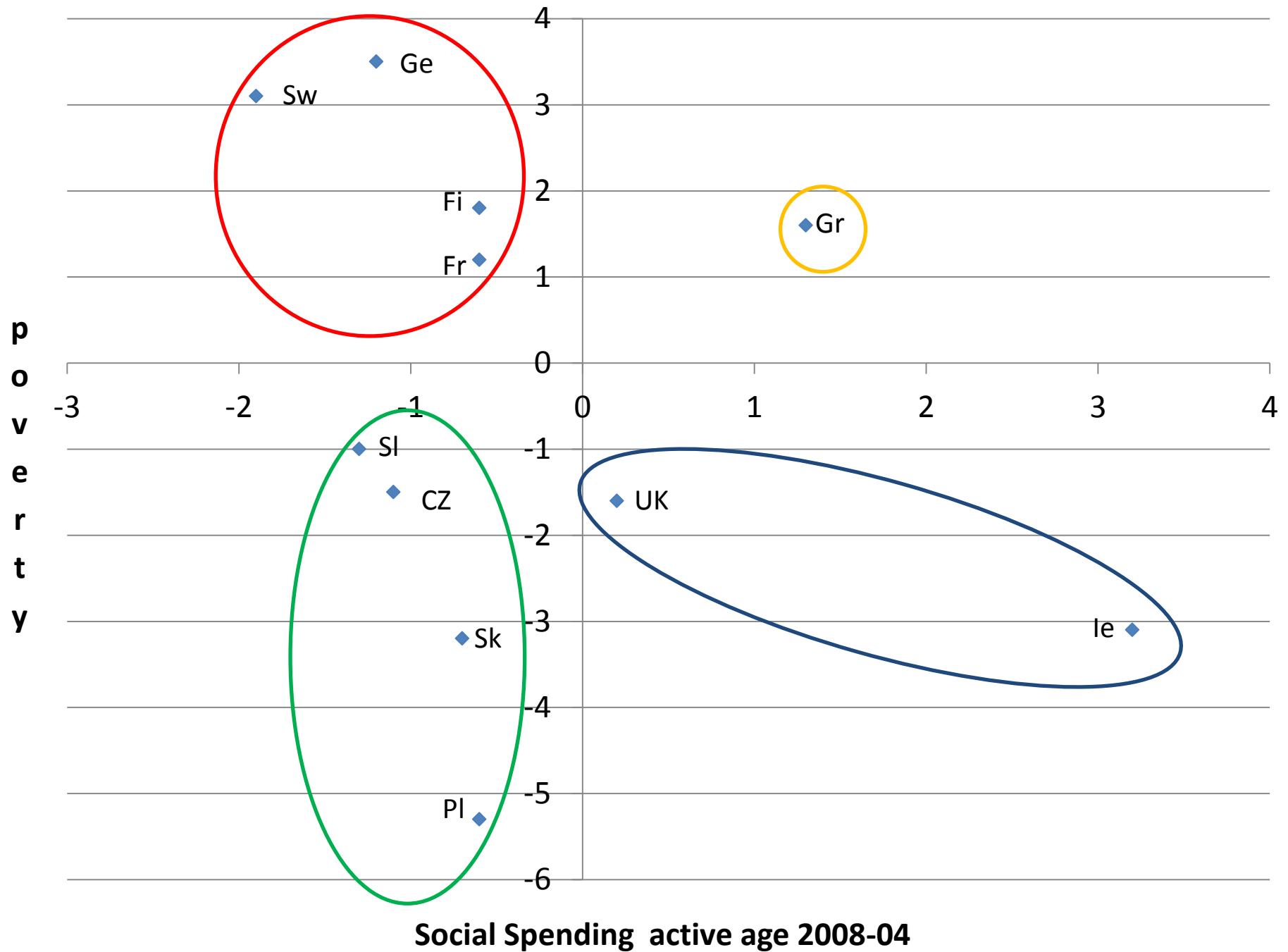
Bea Cantillon

11.12.2012

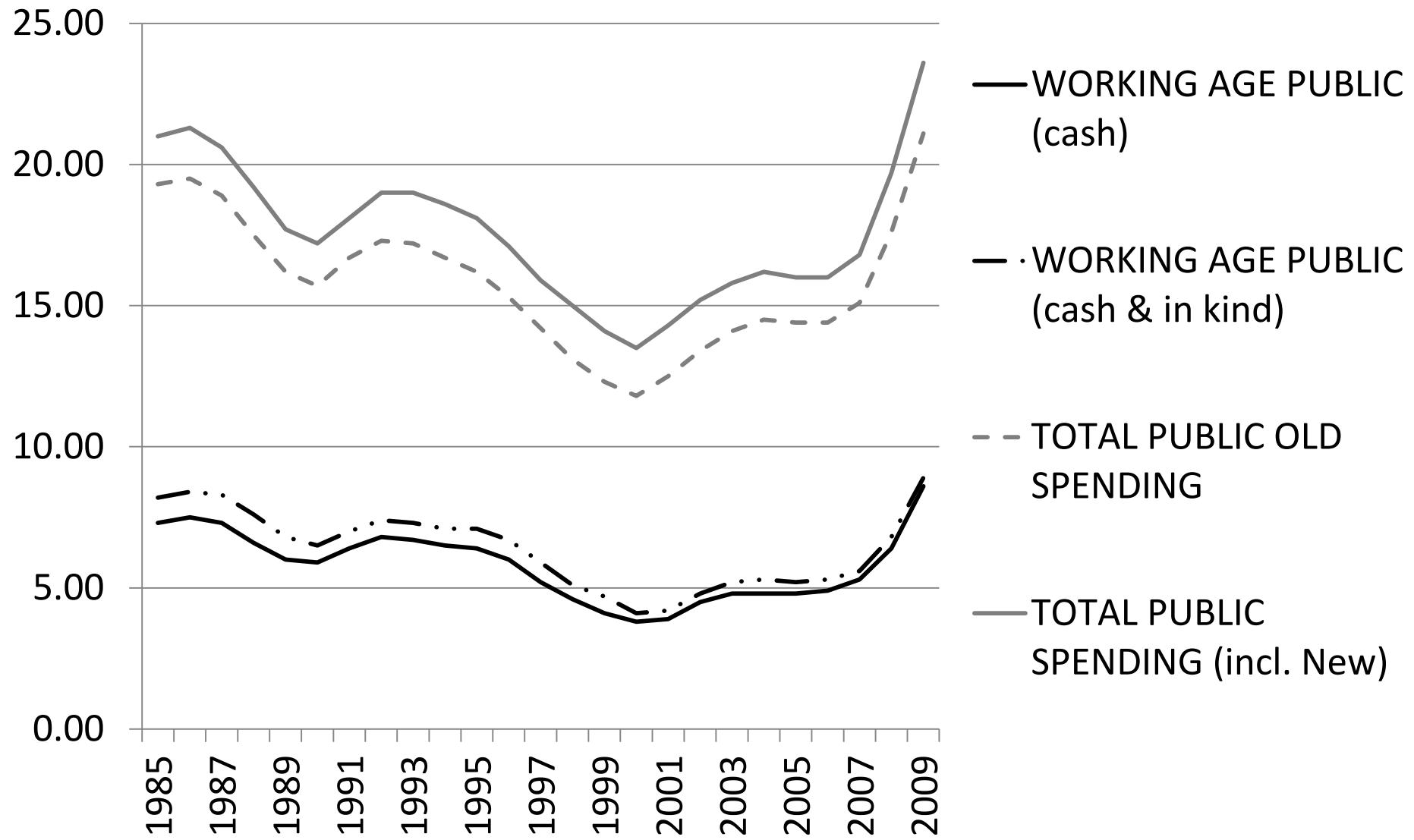
- The Lisbon strategy : eradication of poverty and the virtuous circles of growth, employment and social inclusion
- Focus on changes and trajectories
- In the good years before the crisis
- Working age population



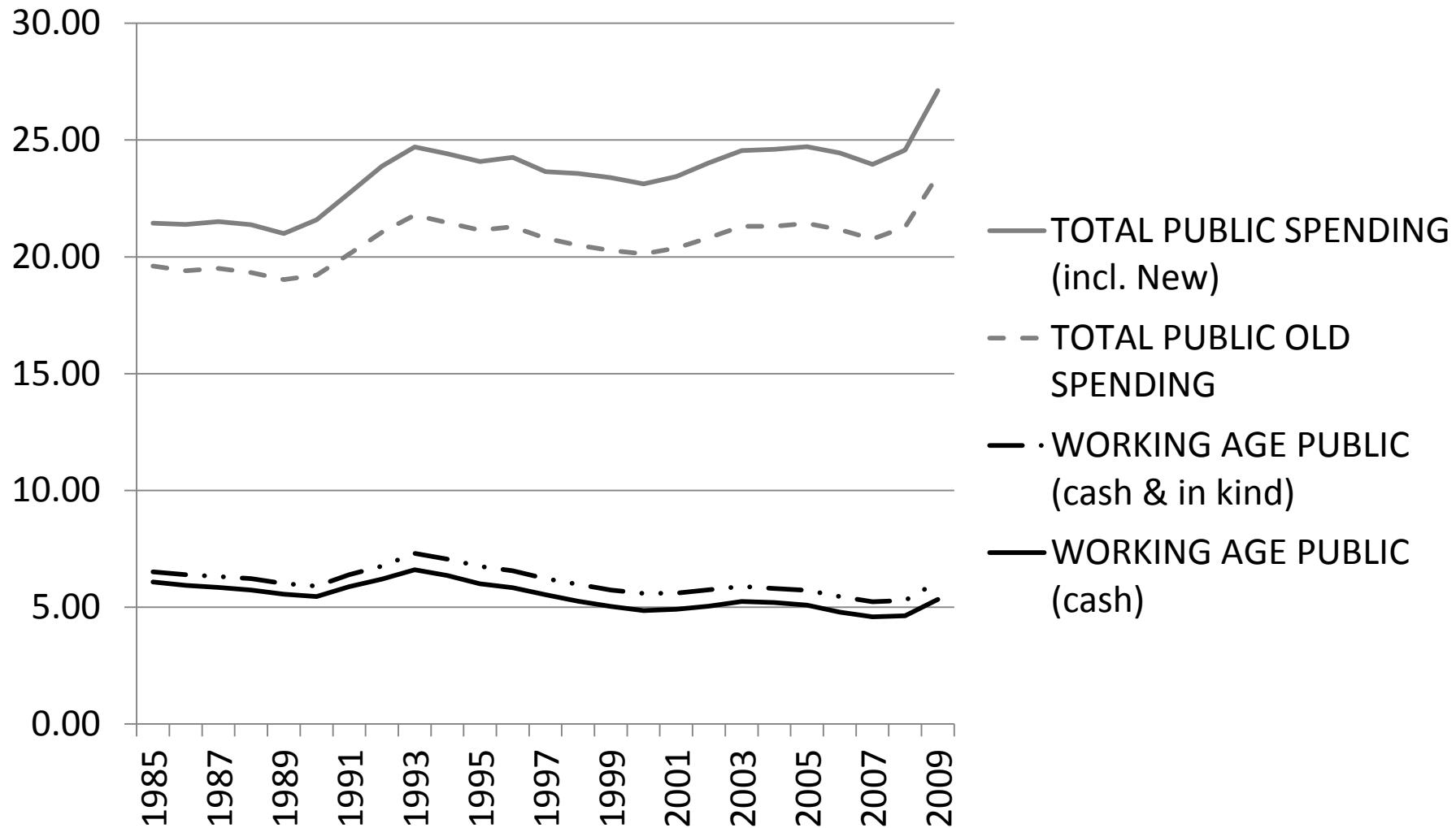




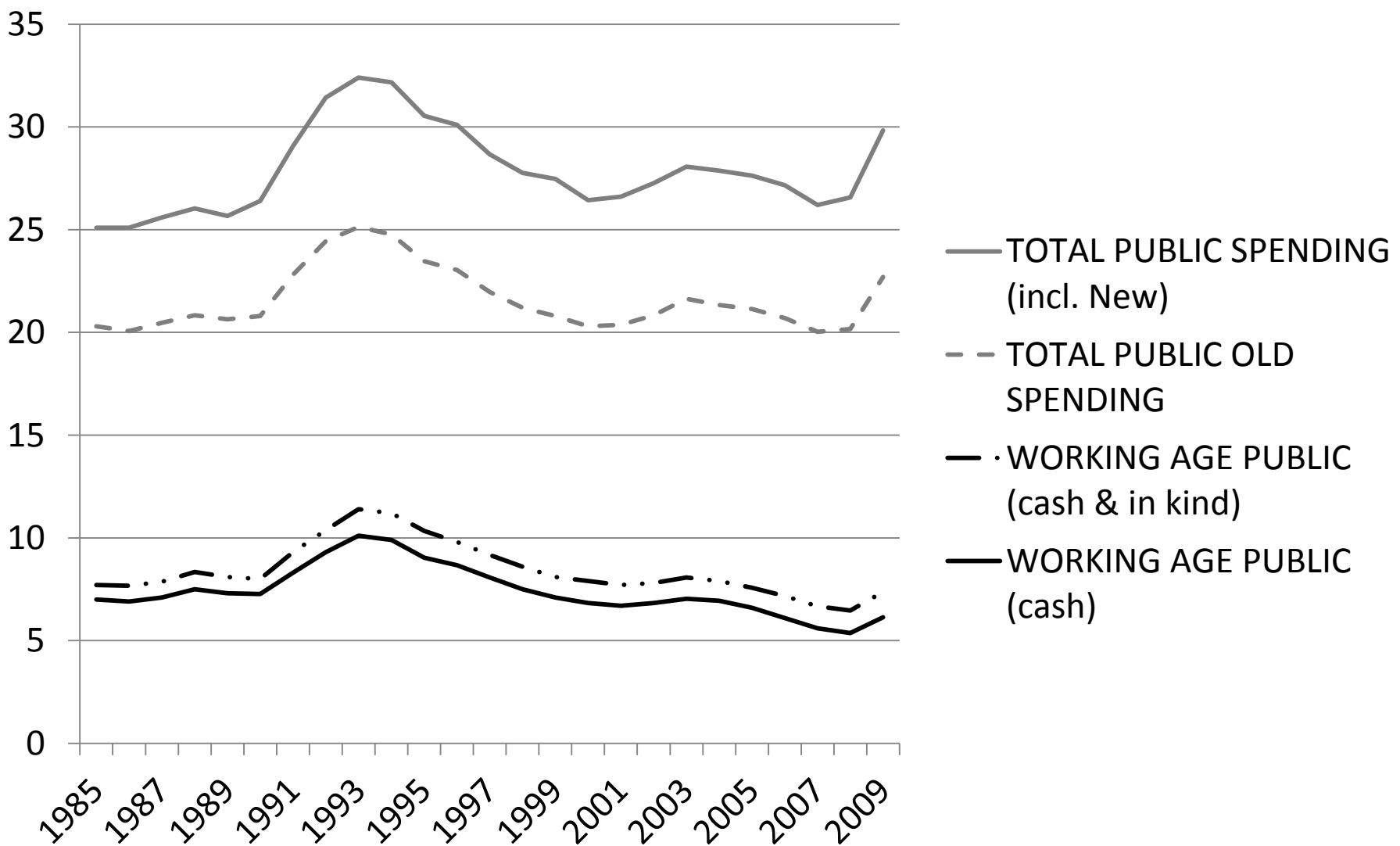
# Total social spending (public), % GDP, Ireland, OECD SOCX



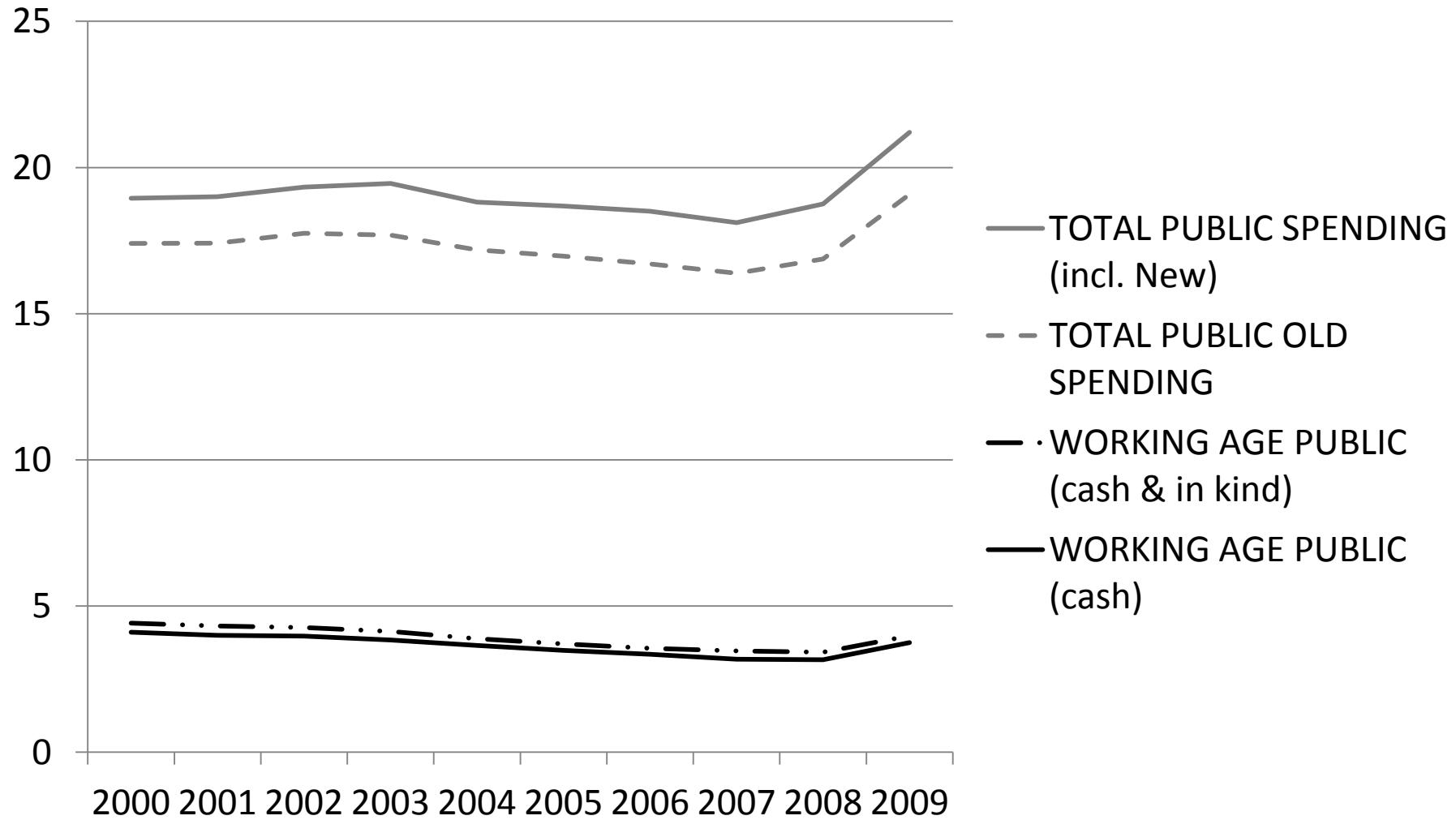
**Figure 10-1a. Total social spending (public), % GDP  
unweighted average EU13 (AT, IE excl.), OECD SOCX.**



**Figure 10-1b. Total social spending (public), % GDP  
unweighted average FI, SE, DK, OECD SOCX**



**Figure 10-1e. Total social spending (public), % GDP  
unweighted average CZ, EE, HU, PL, SK, SI, OECD SOCX**



- New MS : employment+, spending-, poverty-
- Scandinevean : employ+,spending-, poverty+
- Ireland : employ+, spending+, poverty -

# Which hindrances in the virtuous circles and what contributed to the success in ( most of) the new MS?

- Who benefited from job growth?
- How did poverty evolved among the working poor?
- And In-work-poverty ?
- Did the adequacy of social protection increased?

- Who benefited from job growth?

| actual change | of which: predicted change<br>(unconditional) |                                    |  |                       | total polarization<br>change | of which: polarization |       |
|---------------|---|------------------------------------|--|-----------------------|------------------------------|------------------------|-------|
|               | total predicted<br>change                     | due to $\Delta$ non-<br>employment | due to $\Delta$<br>household<br>shares | between<br>households |                              | within<br>households   |       |
| bg            | -6.05   | -4.50                              | -6.48                                  | 1.98                  | -1.55                        | 0.05                   | -1.60 |
| ee            | -4.51   | -3.62                              | -4.70                                  | 1.09                  | -0.89                        | 0.24                   | -1.14 |
| pl            | -3.56   | -3.17                              | -3.51                                  | 0.34                  | -0.39                        | 0.10                   | -0.49 |
| sk            | -2.71   | -2.43                              | -2.80                                  | 0.38                  | -0.29                        | 0.11                   | -0.39 |
| cz            | -1.67   | -0.58                              | -1.57                                  | 0.99                  | -1.09                        | 0.37                   | -1.46 |
| uk            | -1.01   | -0.66                              | -0.96                                  | 0.31                  | -0.35                        | 0.19                   | -0.54 |
| lv            | -3.82   | -2.07                              | -0.94                                  | -1.12                 | -1.76                        | 0.01                   | -1.77 |
| si            | -2.50   | -1.80                              | -1.61                                  | -0.19                 | -0.70                        | -0.06                  | -0.64 |
| hu            | -1.09   | -0.55                              | -0.54                                  | 0.00                  | -0.54                        | 0.01                   | -0.56 |
| it            | -2.07   | -2.93                              | -3.97                                  | 1.04                  | 0.86                         | -0.25                  | 1.11  |
| gr            | -2.00   | -2.20                              | -3.06                                  | 0.86                  | 0.20                         | 0.04                   | 0.16  |
| cy            | -1.50   | -2.08                              | -2.22                                  | 0.13                  | 0.58                         | 0.14                   | 0.44  |
| nl            | -1.39   | -1.79                              | -2.21                                  | 0.42                  | 0.40                         | 0.16                   | 0.24  |
| es            | -1.04   | -2.83                              | -3.60                                  | 0.77                  | 1.79                         | -0.03                  | 1.82  |
| at            | -0.71   | -1.06                              | -1.54                                  | 0.48                  | 0.35                         | 0.10                   | 0.25  |
| fr            | -0.58   | -1.37                              | -2.01                                  | 0.64                  | 0.80                         | 0.08                   | 0.72  |
| lt            | -0.43   | -1.57                              | -3.29                                  | 1.73                  | 1.14                         | 0.50                   | 0.64  |
| be            | -0.35   | -0.71                              | -1.17                                  | 0.45                  | 0.36                         | 0.22                   | 0.14  |
| pt            | 0.64  | 0.43                               | 0.19                                   | 0.24                  | 0.20                         | 0.11                   | 0.10  |
| ro            | 1.83  | 1.46                               | 1.86                                   | -0.40                 | 0.38                         | 0.04                   | 0.34  |
| de            | 0.25  | -0.46                              | -1.10                                  | 0.63                  | 0.72                         | 0.09                   | 0.63  |
| ie            | 0.57  | -0.80                              | -0.92                                  | 0.12                  | 1.37                         | 0.03                   | 1.34  |
| lu            | 1.10  | -0.55                              | -1.27                                  | 0.72                  | 1.66                         | -0.13                  | 1.79  |

- Who benefits from job growth?
- What about poverty among the working poor?
- And what about in-work-poverty?

# Which hindrances in the virtuous circles?

- Who benefited from job growth?
- Poverty among the working poor
- In-work-poverty
- Poverty reduction by social transfers

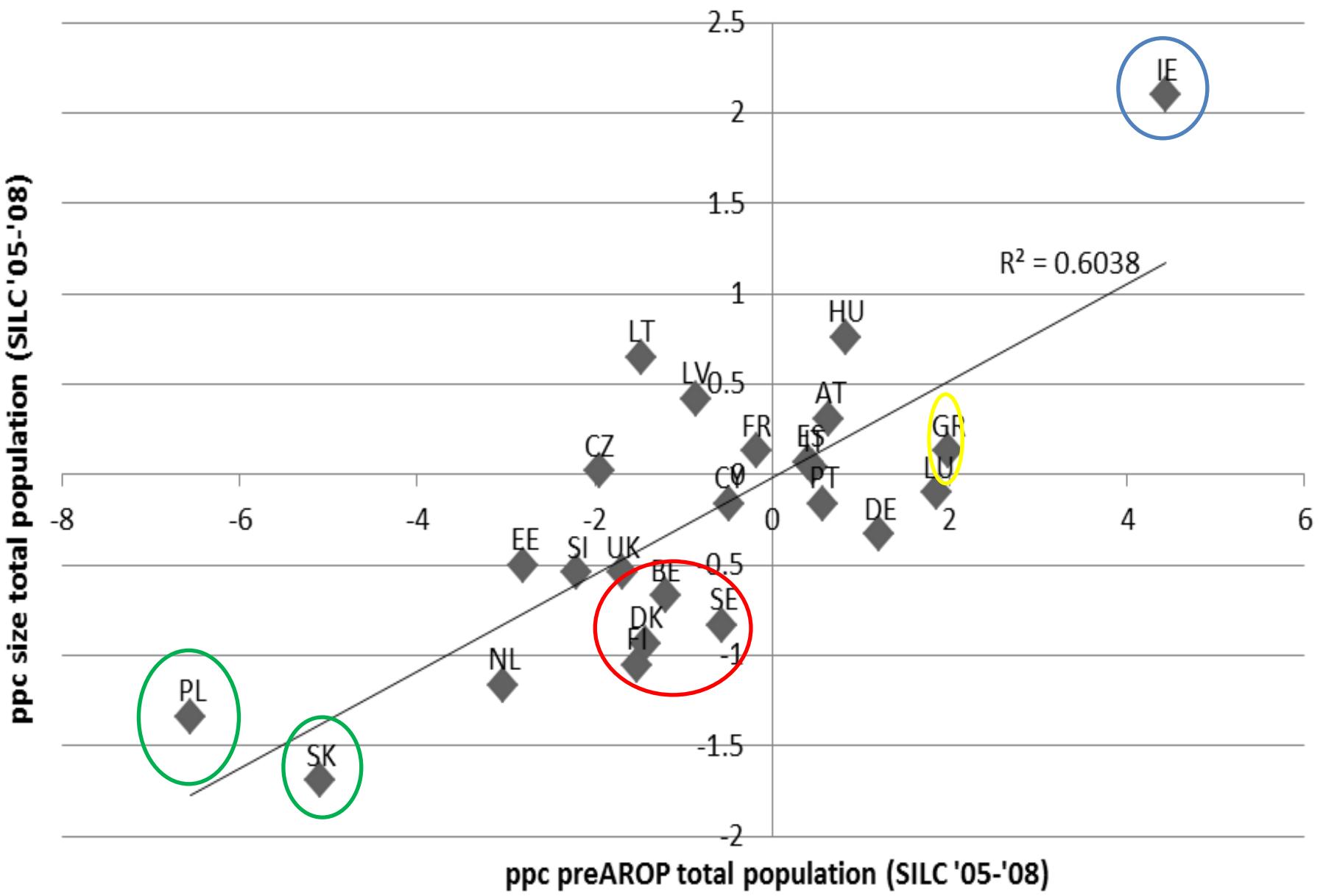
|         | $\Delta\text{preAROP}_{\text{pre}}$ |     | $\Delta\text{poverty reduction}$<br>(absolute) |     | Effect $\Delta\text{size}$ | Effect<br>$\Delta\text{efficiency}$ | $\Delta\text{AROP}_{\text{post}}$ |     |
|---------|-------------------------------------|-----|--|-----|----------------------------|-------------------------------------|-----------------------------------|-----|
| AT      | 0.64                                |     | 0.59   |     | -0.64                      | 0.05                                | 0.05                              |     |
| BE      | -1.20                               |     | -1.29  |     | 1.15                       | 0.14                                | -0.09                             |     |
| BG      |                                     |     |  |     | 0.00                       | 0.00                                |                                   |     |
| CY      | -0.49                               |     | -0.52  |     | 0.23                       | 0.29                                | 0.04                              |     |
| CZ      | -1.95                               | **  | -0.35  |     | -0.03                      | 0.38                                | -1.60                             | **  |
| DE      | 1.21                                | **  | -2.06  | *** | 0.55                       | 1.51                                | 3.28                              | *** |
| DE SOEP | -0.04                               |     | 0.31   |     | 0.37                       | -0.06                               | -0.35                             |     |
| DK      | -1.43                               |     | -1.40  |     | 1.59                       | -0.19                               | -0.03                             |     |
| EE      | -2.80                               | *** | -0.79  |     | 0.75                       | 0.04                                | -2.01                             | *** |
| ES      | 0.41                                |     | 0.20   |     | -0.10                      | -0.10                               | 0.21                              |     |
| FI      | -1.53                               | **  | -2.71  | *** | 1.94                       | 0.76                                | 1.17                              | *** |
| FR      | -0.18                               |     | -0.64  |     | -0.27                      | 0.91                                | 0.46                              |     |
| GR      | 1.98                                | **  | 0.16   |     | -0.23                      | 0.07                                | 1.83                              | **  |
| HU      | 0.83                                |     | 2.42   | *** | -1.51                      | -0.91                               | -1.59                             | *** |
| IE      | 4.44                                | *** | 6.55   | *** | -3.80                      | -2.75                               | -2.11                             | *** |
| IT      | 0.46                                |     | 0.39   |     | -0.07                      | -0.32                               | 0.08                              |     |
| LT      | -1.48                               |     | 1.43   | *** | -1.06                      | -0.37                               | -2.92                             | *** |
| LU      | 1.86                                |     | 1.00   |     | 0.20                       | -1.20                               | 0.86                              |     |
| LV      | -0.86                               |     | -1.80  | *** | -0.62                      | 2.42                                | 0.95                              |     |
| NL      | -3.03                               | *** | -2.18  |     | 2.21                       | -0.03                               | -0.84                             |     |
| PL      | -6.55                               | *** | -1.91  |     | 2.72                       | -0.81                               | -4.64                             | *** |
| PT      | 0.58                                |     | 0.50   |     | 0.29                       | -0.79                               | 0.08                              |     |
| RO      |                                     |     |  |     | 0.00                       | 0.00                                |                                   |     |
| SE      | -0.56                               |     | -2.87  | *** | 1.62                       | 1.24                                | 2.31                              | *** |
| SI      | -2.21                               | *** | -1.82  |     | 0.97                       | 0.85                                | -0.39                             |     |
| SK      | -5.09                               | *** | -1.58  |     | 2.76                       | -1.18                               | -3.51                             | *** |
| UK      | -1.69                               |     | -0.45  |     | 1.05                       | -0.60                               | -1.24                             | **  |

|         | $\Delta \text{preAROP}_{\text{pre}}$ | $\Delta \text{poverty reduction}$<br>(absolute) | Effect Δsize | Effect<br>Δefficiency | $\Delta \text{AROP}_{\text{post}}$ |       |       |     |
|---------|--------------------------------------|---|--------------|-----------------------|------------------------------------|-------|-------|-----|
| AT      | 0.64                                 | 0.59  | -0.64        | 0.05                  | 0.05                               |       |       |     |
| BE      | -1.20                                | -1.29   | 1.15         | 0.14                  | -0.09                              |       |       |     |
| BG      |                                      |   | 0.00         | 0.00                  |                                    |       |       |     |
| CY      | -0.49                                | -0.52   | 0.23         | 0.29                  | 0.04                               |       |       |     |
| CZ      | -1.95                                | **  | -0.35        | -0.03                 | 0.38                               | -1.60 | **    |     |
| DE      | 1.21                                 | **  | -2.06        | ***                   | 0.55                               | 1.51  | 3.28  | *** |
| DE SOEP | -0.04                                |   | 0.31         | 0.37                  | -0.06                              | -0.35 |       |     |
| DK      | -1.43                                |   | -1.40        | 1.59                  | -0.19                              | -0.03 |       |     |
| EE      | -2.80                                | ***   | -0.79        | 0.75                  | 0.04                               | -2.01 | ***   |     |
| ES      | 0.41                                 |   | 0.20         | -0.10                 | -0.10                              | 0.21  |       |     |
| FI      | -1.53                                | **  | -2.71        | ***                   | 1.94                               | 0.76  | 1.17  | *** |
| FR      | -0.18                                |   | -0.64        |                       | -0.27                              | 0.91  | 0.46  |     |
| GR      | 1.98                                 | **  | 0.16         | -0.23                 | 0.07                               | 1.83  | **    |     |
| HU      | 0.83                                 |   | 2.42         | ***                   | -1.51                              | -0.91 | -1.59 | *** |
| IE      | 4.44                                 | ***   | 6.55         | ***                   | -3.80                              | -2.75 | -2.11 | *** |
| IT      | 0.46                                 |   | 0.39         | -0.07                 | -0.32                              | 0.08  |       |     |
| LT      | -1.48                                |   | 1.43         | ***                   | -1.06                              | -0.37 | -2.92 | *** |
| LU      | 1.86                                 |   | 1.00         | 0.20                  | -1.20                              | 0.86  |       |     |
| LV      | -0.86                                |   | -1.80        | ***                   | -0.62                              | 2.42  | 0.95  |     |
| NL      | -3.03                                | ***   | -2.18        | 2.21                  | -0.03                              | -0.84 |       |     |
| PL      | -6.55                                | ***   | -1.91        | 2.72                  | -0.81                              | -4.64 | ***   |     |
| PT      | 0.58                                 |   | 0.50         | 0.29                  | -0.79                              | 0.08  |       |     |
| RO      |                                      |   |              | 0.00                  | 0.00                               |       |       |     |
| SE      | -0.56                                |   | -2.87        | ***                   | 1.62                               | 1.24  | 2.31  | *** |
| SI      | -2.21                                | ***   | -1.82        |                       | 0.97                               | 0.85  | -0.39 |     |
| SK      | -5.09                                | ***   | -1.58        | 2.76                  | -1.18                              | -3.51 | ***   |     |
| UK      | -1.69                                |   | -0.45        | 1.05                  | -0.60                              | -1.24 | **    |     |

|         | $\Delta \text{preAROP}_{\text{pre}}$ |     | $\Delta \text{poverty reduction}$<br>(absolute) | Effect Δsize | Effect<br>Δefficiency | $\Delta \text{AROP}_{\text{post}}$ |
|---------|--------------------------------------|-----|---|--------------|-----------------------|------------------------------------|
| AT      | 0.64                                 |     | 0.59  | -0.64        | 0.05                  | 0.05                               |
| BE      | -1.20                                |     | -1.29   | 1.15         | 0.14                  | -0.09                              |
| BG      |                                      |     |   | 0.00         | 0.00                  |                                    |
| CY      | -0.49                                |     | -0.52   | 0.23         | 0.29                  | 0.04                               |
| CZ      | -1.95                                | **  | -0.35   | -0.03        | 0.38                  | -1.60                              |
| DE      | 1.21                                 | **  | -2.06   | ***          | 0.55                  | 3.28                               |
| DE SOEP | -0.04                                |     | 0.31  | 0.37         | -0.06                 | -0.35                              |
| DK      | -1.43                                |     | -1.40   | 1.59         | -0.19                 | -0.03                              |
| EE      | -2.80                                | *** | -0.79   | 0.75         | 0.04                  | -2.01                              |
| ES      | 0.41                                 |     | 0.20  | -0.10        | -0.10                 | 0.21                               |
| FI      | -1.53                                | **  | -2.71   | ***          | 1.94                  | 1.17                               |
| FR      | -0.18                                |     | -0.64   | -0.27        | 0.91                  | 0.46                               |
| GR      | 1.98                                 | **  | 0.16  | -0.23        | 0.07                  | 1.83                               |
| HU      | 0.83                                 |     | 2.42  | ***          | -1.51                 | -1.59                              |
| IE      | 4.44                                 | *** | 6.55  | ***          | -3.80                 | -2.75                              |
| IT      | 0.46                                 |     | 0.39  | -0.07        | -0.32                 | 0.08                               |
| LT      | -1.48                                |     | 1.43  | ***          | -1.06                 | -2.92                              |
| LU      | 1.86                                 |     | 1.00  | 0.20         | -1.20                 | 0.86                               |
| LV      | -0.86                                |     | -1.80   | ***          | -0.62                 | 2.42                               |
| NL      | -3.03                                | *** | -2.18   | 2.21         | -0.03                 | -0.84                              |
| PL      | -6.55                                | *** | -1.91   | 2.72         | -0.81                 | -4.64                              |
| PT      | 0.58                                 |     | 0.50  | 0.29         | -0.79                 | 0.08                               |
| RO      |                                      |     |   | 0.00         | 0.00                  |                                    |
| SE      | -0.56                                |     | -2.87   | ***          | 1.62                  | 1.24                               |
| SI      | -2.21                                | *** | -1.82   | 0.97         | 0.85                  | -0.39                              |
| SK      | -5.09                                | *** | -1.58   | 2.76         | -1.18                 | -3.51                              |
| UK      | -1.69                                |     | -0.45   | 1.05         | -0.60                 | -1.24                              |

# Which hindrances in the virtuous circles?

- Who benefits from job growth?
- Poverty among the working poor
- In-work-poverty
- Poverty reduction by social transfers
  - effort
  - efficiency



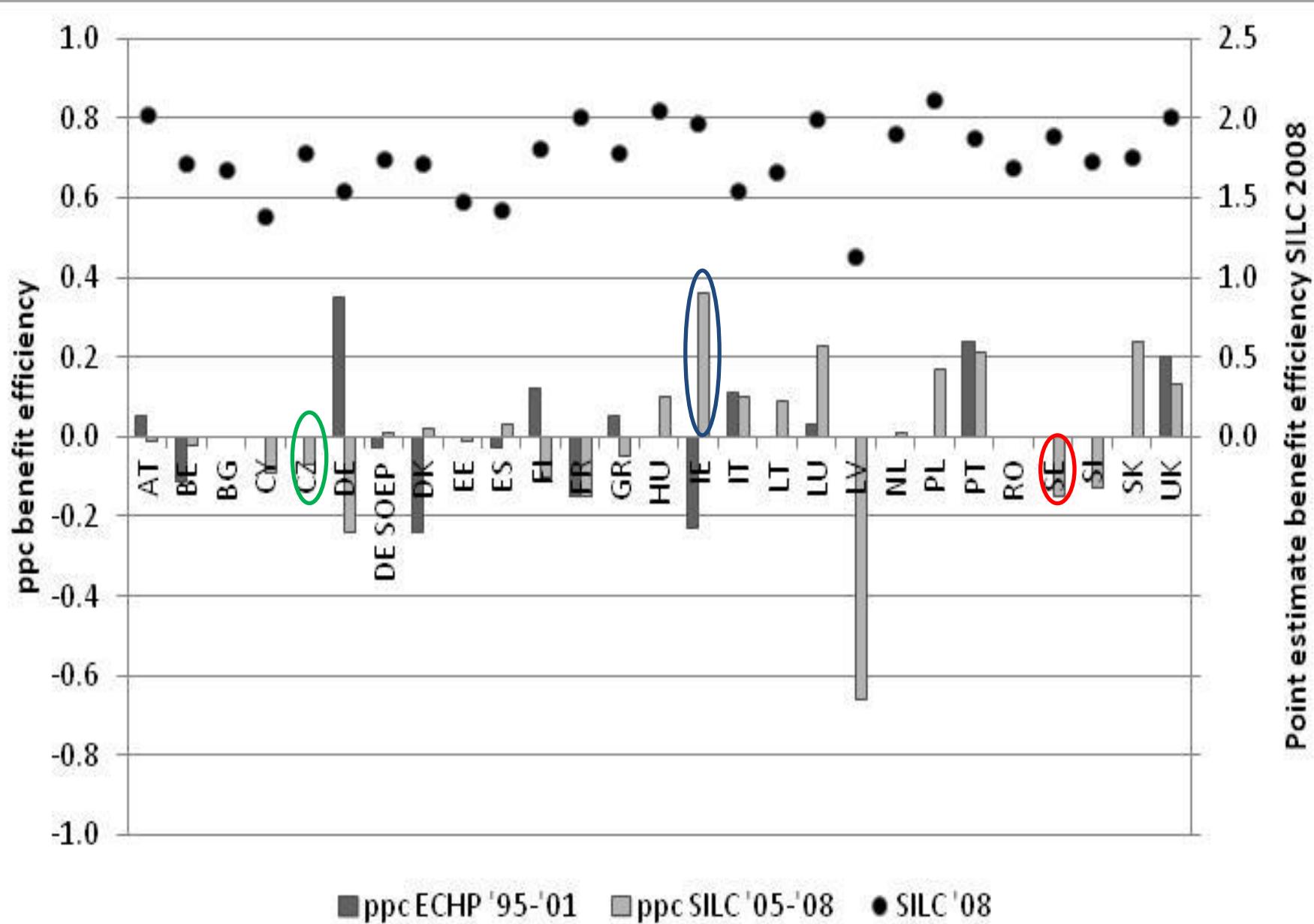
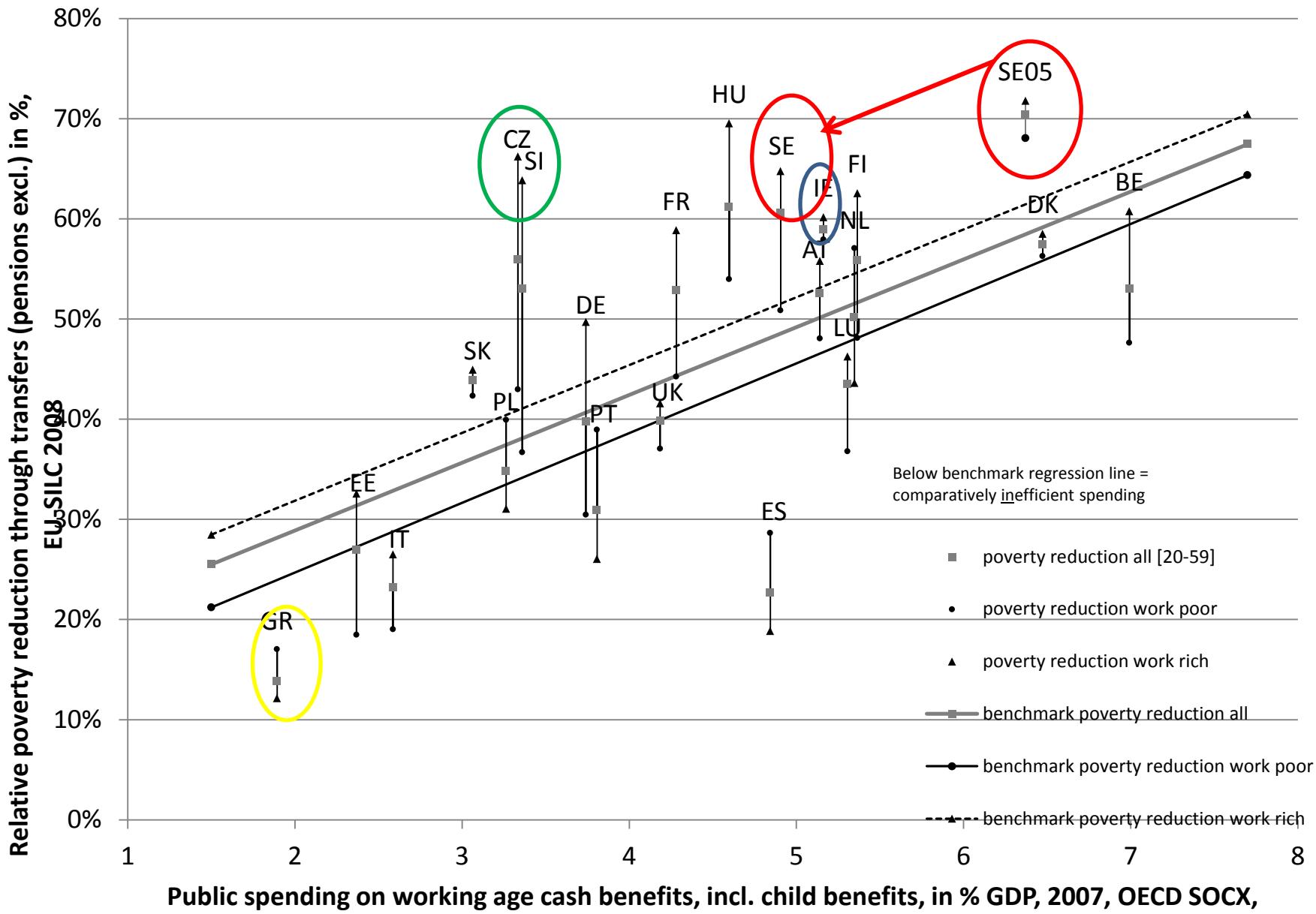


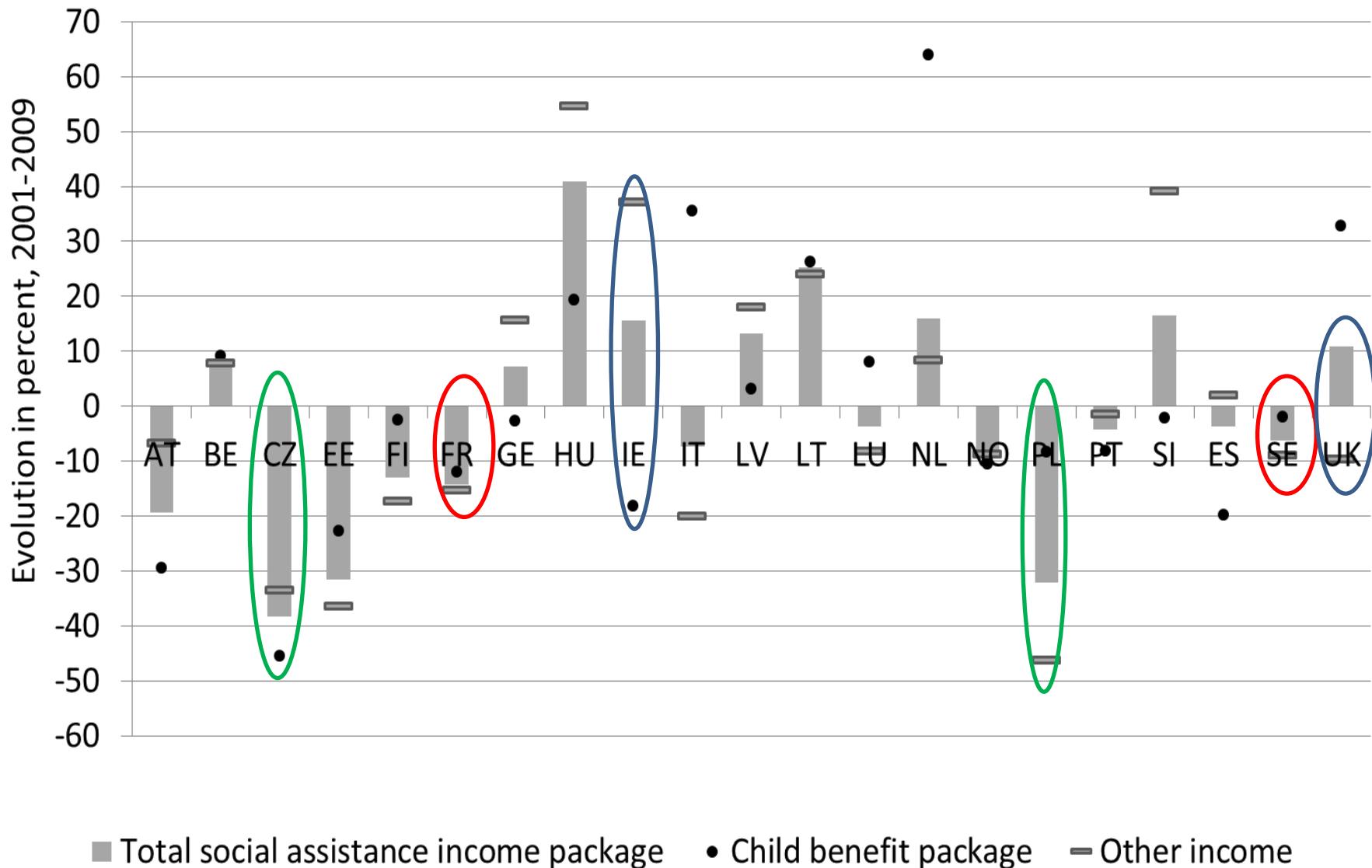
Figure 10.3. Relative poverty reduction and spending on cash benefits for working age households.



# Which hindrances in the virtuous circles?

- Who benefits from job growth?
- Poverty among the working poor
- In-work-poverty
- Pro-poorness of social protection
  - effort
  - efficiency
  - adequacy

## Benefit packages as % of poverty line



# Which hindrances in the virtuous circles?

- Different trajectories
- Pointing to convergence
- Irish exceptionalism
- Importance of social redistribution