CSB

*WORKING PAPER*

# The CSB-Minimum Income Protection Indicators dataset (CSB-MIPI)

*Natascha Van Mechelen, Sarah Marchal, Tim Goedemé, Ive Marx and Bea Cantillon*

Version April 2011 (to be revised periodically)

The CSB-Minimum Income Protection Indicators dataset (CSB-MIPI)

**Natascha Van Mechelen, Sarah Marchal, Tim Goedemé, Ive Marx and Bea Cantillon**

Working Paper No. 11 / 05

Version April 2011 (to be revised periodically)

**ABSTRACT**

This working paper aims at describing the content, methodology, strengths and weaknesses of the CSB-Minimum Income Protection Indicators dataset (CSB-MIPI). The CSB-MIPI dataset provides data on the three main pillars of minimum income protection (minimum wages, social assistance for working age households and guaranteed pensions) for 27 countries. This dataset contains information on long-term trends in the level of both gross and net benefit levels. Moreover, it addresses the conditionality of social assistance benefits, the associated rights and in-kind benefits and the impact of the financial and economic crisis on minimum income protection policy. This working paper discusses the scope, set-up and methodology of the CSB-MIPI data.

Keywords: minimum income protection, social assistance, minimum wage, guaranteed minimum income, elderly, European Union

Corresponding author:

Natascha Van Mechelen
Herman Deleeck Centre for Social Policy
Faculty of Political and Social Sciences
University of Antwerp
Sint-Jacobstraat 2 – B-2000 Antwerp
Tel. +32 (0)3 265 55 45
natascha.vanmechelen@ua.ac.be

# Table of contents

# List of tables

# List of Figures

## 1. Introduction

This working paper discusses the scope, set-up and methodology of the CSB-Minimum Income Protection Indicators dataset (CSB-MIPI).

The primary purpose of CSB-MIPI is to present valid and detailed information on the level and composition of minimum income protection packages in Europe and the United States. The dataset derives from data collection through a network of national experts, expanding on earlier data collection efforts by Jonathan Bradshaw of the University of York (Bradshaw & Finch, 2002; Eardley, Bradshaw, Ditch, Gough, & Whiteford, 1996).

CSB-MIPI contains information on minimum income protection provisions for workers, for people at working age not in work, and for the elderly. For workers, the focus is on the net income packages of minimum wage workers. For people not or no longer in work, the focus in on statutory social assistance entitlements or equivalent schemes. In all cases full account is taken of taxes, social security contributions, means-tested income supplements and child benefits. While the primary focus is on income levels, CSB-MIPI also contains information on conditionality requirements in social assistance, associated rights and in-kind benefits.

The database holds information spanning two decades. Information on net disposable incomes is available starting from 1992 for 15 EU countries. From 2001 on, CSB-MIPI covers all EU member states except Malta and Cyprus, plus Norway and 3 US States (Texas, Nebraska and New Jersey). In addition, there are yearly time series on the evolution of gross benefit levels for the 1990s and the 2000s. Information on conditionality requirements in social assistance is available for 2009. For that year there is also a module on crisis measures.

The range of family types covered includes:
- single person
- married couple without children
- married couple with children aged 7 and 14
- lone parent with children aged 7 and 14
- lone parent with one child aged 2.

The range of income situations covered includes:
- two-earner family, both adults working full time, national average male earnings plus national average female earnings
- one-earner family, one adult working full time, national average male earnings
- one-earner family, one adult working full time, minimum wage (or 50% of the average male earnings)
- family receiving social assistance for working age persons

- family receiving minimum income guarantee for elderly

This makes the CSB-MIPI database one among the most comprehensive databases of its kind. Compared to similar databases, the CSB-MIPI database has additional distinguishing features. The CSB-MIPI dataset explores new ways to calculate housing allowances, that are usually dependent on housing costs. Assumptions with respect to these are crucial when assessing the generosity of minimum income protection, as housing allowances constitute a substantial part of net disposable income. The CSB-MIPI database overcomes this difficulty by taking into account empirically estimated housing costs. Child care costs are also included in the model family simulations.

The CSB-MIPI dataset thus offers the possibility to cover a broad range of research questions. It allows for detailed comparative analysis of income packages across a wide range of countries, population segments and family types. Furthermore, it is possible to assess elements of conditionality and empowerment, and also to gauge work incentives. Moreover, as the data have been gathered for three different moments in time, spanning two decades, it is possible to follow the evolution of the various income packages and their constituent components.

This working paper aims at describing the content, methodology, strengths and weaknesses of the CSB-MIPI data. We devote substantial attention to the assumptions underlying the data and to the assessment of the cross-temporary and cross-national comparability of the simulated income packages. In addition, we describe and explain as far as possible the differences with comparable datasets. In this paper we aim to answer the most important and most obvious questions about the CSB-MIPI dataset. It is unlikely that it provides an answer to all issues and problems that researchers using this dataset may encounter. If you have further questions, you can contact us by mailing to sarah.marchal@ua.ac.be or natascha.vanmechelen@ua.ac.be. This working paper is work-in-progress as it will be revised occasionally in order to answer the most frequently asked questions. This version of the paper dates from March 2011 and accompanies the CSB-MIPI data version 1/2011. Researchers interested in using the CSB-MIPI data can send a reasoned request to the e-mail addresses mentioned earlier.

The paper is organized as follows: In section 2 we describe which schemes have been included in the model family situations and in section 3 we elaborate on the method employed for computing the income packages. In section 4 we discuss the strengths and weaknesses of various approaches to the evaluation of benefit levels. Section 5 compares the CSB-MIPI dataset with the OECD's Benefits and Wages database and the SaMip data. Section 6 concludes.

## 2. Content of the dataset

The CSB-MIPI-dataset builds on two waves of data collection by the Herman Deleeck Centre for Social Policy. During the first wave (2001), data have been collected for 15 European countries (see Cantillon, Van Mechelen, Marx, & Van den Bosch, 2004). During the second wave (2009), the number of countries has been increased to 27 (all EU member states except Malta and Cyprus, plus Norway and 3 US States (Texas, Nebraska and New Jersey)). As shown in Table 1, five types of data have been collected: data on the evolution of gross benefit levels during the 1990s and the 2000s, model family simulations of net disposable incomes at several points in time (1992, 2001 and 2009) and a discussion of the policy changes that may have affected the net disposable income of benefit recipients. In addition, the second wave also included questionnaires on conditionality requirements in social assistance and the impact of the recent crisis. The questionnaires are included in appendix A to this report.

Table 1.  Overview of the two waves of data gathering

| | DATA | COUNTRIES |
|---|---|---|
| **WAVE 1** | <ul><li>Time series gross amounts 1992-2001</li><li>Model family simulations (net incomes) May 1992 and June 2001</li><li>Questionnaire: Explanation and discussion of model family simulations</li></ul> | AT BE DE DK ES FR GR IE IT LU NL NO PT SE UK |
| **WAVE 2** | <ul><li>Time series gross amounts 1992-2009</li><li>Model family simulations (net incomes) June 2001 and June 2009</li><li>Questionnaire: Explanation and discussion of model family simulations (incl. provision of non-discretionary supplementary cash and in-kind benefits and associated rights)</li><li>Questionnaire on the impact of the crisis</li><li>Questionnaire on conditionality</li></ul> | AT BE BG CZ DE DK EE ES FI FR GR HU IE IT LT LU LV NL NO PL PT RO SE SI SK UK US[1] |

[1] Three US states were included: Nebraska, New Jersey and Texas.

In the remainder of this section, we describe the minimum income protection schemes that are included in the CSB-MIPI-dataset (minimum wages, social assistance benefits for the able-bodied and the minimum income guarantee for elderly) and briefly discuss the questionnaires. Section 3 looks in detail at the methodology.

## 2.1. The Minimum wage

Minimum wages have grown in importance in the EU (Vaughan-Whitehead, 2010). The early 1990s saw the introduction of minimum wages in the formerly Communist countries that are now part of the European Union. The United Kingdom introduced a national minimum wage in 1999, Ireland introduced one a year later. Austria is the country that most recently introduced a minimum wage, in January 2009. Most Member States of the European Union have a national minimum wage, set by government, often in cooperation with or on the advice of the social partners, or set by the social partners themselves in a nationally binding collective agreement. The countries without a national minimum wage include Finland, Norway, Sweden, Denmark, Germany and Italy. In a number of countries where no national minimum wage exists, like in Germany and the Nordic countries, workers are protected by collective agreements set at the industry or firm level. These, however, vary considerably in coverage and in level. The United States has a federal minimum wage law, but state laws set additional thresholds and cover jobs not covered by the federal minimum.

Despite the existence of statutory wage floors wage-setting is a matter in which unions and employers generally retain a large degree of autonomy. In actual wage bargaining the national minimum wage often serves more of a benchmark purpose than anything else, marking the absolute floor of the wage structure. "Real" minimum wages, i.e., pay scales for the youngest, least qualified and least experienced workers are sometimes considerably higher than the nationwide minimum wage. Thus the importance of the minimum wage differs across countries. Table 3 contains estimates of the proportion of minimum wage workers[1]. The estimated percentage of minimum wage earners among the working population varies from a low of 1.6% in the Netherlands to 20.4% in Greece.

CSB-MIPI national experts were asked to provide time series on gross minimum wages and to calculate net disposable income of 5 family types with one worker working at minimum wage. In case no minimum wage exists, national experts were asked to base their calculation on a minimum wage agreed between the social partners in a traditionally low-paid sector or on 50% of male average earnings. The main reason for this choice was to maintain consistency with the earlier data collection efforts by Bradshaw & Finch (2002). Table 2 gives an overview of the assumptions used with respect to low wages in these countries.

---

[1] Due to unclear methodology, these estimates only serve as an indication of the prevalence of the minimum wages. Estimates are not comparable between countries

**Table 2.** Countries without statutory minimum wage: assumptions with respect to low wage

| | 1992 | 2001 | 2009 |
|---|---|---|---|
| **Austria** | The lowest minimum wage agreed between the social partners for white-collars without experience fulfilling routine or mechanical tasks | The lowest minimum wage agreed between the social partners for white-collars without experience fulfilling routine or mechanical tasks | Minimum wage |
| **Germany** | Low income threshold of 1.3*(60% of median equivalised income) | Low income threshold of 1.3*(60% of median equivalised income) | 50% of average male earnings |
| **Denmark** | 50% of average male earnings | Lowest negotiated minimum wage according to trade union [a] | 50% of average male earnings |
| **Finland** | 50% of average male earnings | 50% of average male earnings | 50% of average male earnings |
| **Italy** | Monthly contractual wage for the lowest qualification level in the fur and leather sector | Monthly contractual wage for the lowest qualification level in the fur and leather sector | Monthly contractual wage for the lowest qualification level in the fur and leather sector |
| **Norway** | 50% of average male earnings | 50% of average male earnings | 50% of average male earnings |
| **Sweden** | 50% of average male earnings | 50% of average male earnings | 50% of average male earnings |
| **Ireland** | 50% of average male industrial earnings | Minimum wage | Minimum wage |
| **United Kingdom** | 50% of average male earnings | Minimum wage | Minimum wage |

[a] Data refer to Bradshaw & Finch (2002)

Source: National experts (see Table 1 in appendix A)

**Table 3.** Statutory minimum wages included in CSB-MIPI, 2009

| Country | Minimum wage scheme | % of working population (employees) | Remark | Source |
|---|---|---|---|---|
| AT | Mindestlohn *Minimum wage* | n/a | | |
| B | Gewaarborgd Minimum Maandinkomen GGMMI *Guaranteed minimum monthly income* | 3,65% | EU-SILC 2004 estimate on the share of minimum wage earners | Marx, I., Verbist, G., Vandenbroucke, P., Bogaerts, K. & Vanhille, J. (2009). *De werkende armen in Vlaanderen, een vergeten groep ?*, Een onderzoek in opdracht van de Vlaamse minister van Werk, Onderwijs en Vorming, in het kader van het VIONA-onderzoeksprogramma, Centrum voor Sociaal Beleid Herman Deleeck, UA , p.46 |
| BG | минимална работна заплата *Minimum wage* | n/a | | |
| CZ | Minimální mzda*Minimum wage* | 2.5% | | Ministry of Labour and Social Affairs |
| EE | Riiklik alampalk *National minimum wage* | 4.6 % of full-time employees | 2006: % of full-time employees that receives wages less than or equal to minimum wage (interval EEK 2500-3000, minimum wage in 2006: 3000 EEK) | Statistics Estonia → Table "Täistööajaga töötajate jaotus soo, tegevusala jarutöötasugrupi järgi, oktoober" |

Table 3.    Statutory minimum wages included in CSB-MIPI, 2009 – continued

| Country | Minimum wage scheme | % of working population (employees) | Remark | Source |
|---|---|---|---|---|
| ES | Salario Mínimo Interprofesional *Interprofessional minimum wage* | 2.6% | No official data | Estimate: more than 500 000 persons. Combined with number of employed people according to INE (Spanish Statistics Institute) (http://www.plane.gob.es/incremento-del-salario-minimo-interprofesional-para-2009/) |
| FR | Salaire minimum interprofessionnel de croissance | 10.6% | Data based on DARES, a survey excluding employees in agriculture, in public administrations (State, local, hospital, social security), in interim enterprises, in associations working in the sector of social action and in family employment | DARES "Les bénéficiaires de la revalorisation du Smic au 1er juillet 2009", Premières syntheses, n°49-1, novembre 2009. http://www.travail-solidarite.gouv.fr/IMG/pdf/2009-11-49-1.pdf |
| GR | Πίνακας κατωτάτων ορίων μισθών υπαλλήλων Εθνικής Γενικής Συλλογικής Σύμβασης Εργασίας *Minimum wages of non-manual workers under the 2009 National General Collective Labour Contract* | 20.4% | Rough estimate based on LFS 2007 (percentage of working population earning between €500 and €750, minimum wage in 2007: €658) | Labour Force Survey 2007 |
| HU | Teljes munkaidőben foglalkoztatottak minimálbére*Universal basic minimum wage* | 2.7-2.8% | 2008 | ÁFSZ, National Employment Service, 2008 |
| IE | National Minimum Wage | n/a | | |
| LT | Minimali mënesinë alga *Minimal monthly salary* | 6.98% | 2007 | Statistics Lithuania, Database of Indicators |
| LU | Salaire Social Minimum [b] *Social minimum wage* | 11.2% | March 2008. Statistics based on the number of persons paid around the minimum wage. Statistics refer to private sector only. Not possible to distinguish between resident workers and cross-border workers. | Rapport Général sur la Sécurité Sociale 2007 (pages 49-51) , IGSS 2008. |
| LV | Minimâlâ mçneða darba alga *Minimal monthly wage on labour* | 18% | Second quarter of 2009. Minimum (and below) wage earners. | Central Statistical Bureau of Latvia |
| NL | Wettelijk minimumloon *Legal minimum wage* | 1.6% | 2006 | Arbeidsinspectie (2008) *Werknemers met een bruto-loon op en onder het wettelijk minimumloon in 2006*. Den Haag. |
| PL | Placa minimalna *Official gross minimum wage* | 2 % | 2007. *Percentage based on official data of Ministry of Labour and Social Policy. However, this percentage is contested by trade unions.* | Ministry of Labour and Social Policy |

Table 3.    Statutory minimum wages included in CSB-MIPI, 2009 – continued

| Country | Minimum wage scheme | % of working population (employees) | Remark | Source |
|---|---|---|---|---|
| PT | Retribuição Mínima Mensal Garantida (RMMG) *Monthly Guaranteed minimum wage* | 8,7% of full-time employees | October 2009 | Strategy and Planning Department (GEP). (2010) Ministry for Labour and Social Social Security. Data based on Earnings Survey. |
| RO | Salariul minim pe economie în plată *Minimum salary/wage in the economy* | n/a | | |
| SI | minimalna plaèa (Minimum wage) | 2.8% | February 2009 | Statistical Office of the Republic of Slovenia, International Labour Day, |
| SK | minimálna mzda *Minimum wage* | n/a | | |
| UK | National minimum wage | 4.3% | April 2008. (earning minimum wage or less) | Low Pay Commission (2009) 'National Minimum Wage: Low Pay Commission Report 2009' The Stationary Office; *page 15* |
| US | Minimum wage | 4.9% overall; 8.5 % for Texas; 5.8 for New Jersey and Nebraska | 2009 annual averages | US Department of Labor; Includes workers at or below minimum wage |

Notes: [a] Figures are not fully comparable; [b] In LU the minimum wage varies between qualified workers and non-qualified workers. The percentage here refers to all employees working for a wage around a minimum wage (both qualified and non-qualified workers). The percentage for non-qualified workers is 6.2%. Source: National experts (see Table 1 in appendix A).

## 2.2. *Social assistance for able-bodied working-age population*

The CSB-MIPI dataset also provides information on benefit levels for those who are able-bodied, but without a job, and not entitled to insurance benefits. Unlike previous studies on social assistance levels (e.g. Nelson, 2010), we focus on a specific at-risk group rather than on specific minimum income protection arrangements (e.g. universal social assistance schemes). We compare universal social assistance schemes with categorical schemes aiming specifically at the able-bodied. In most European countries those who, although healthy, have no job, nor have 'earned' social protection through work or contributions are entitled to universal benefits, i.e. payments that are open to all those who have passed the means test. However, in a number of European countries income support for the able-bodied is categorical. In the United Kingdom, Ireland, Germany, Finland and Hungary, there is a specific programme in place for those who are able-bodied but are not (or no longer) entitled to contributory insurance benefits. In the first four countries, means-tested support for the able-bodied is incorporated into the unemployment scheme. The focus on specific at-risk groups allows us to include elements of conditionality, sanctioning and empowerment.

In most countries, social assistance benefit rates are determined at the national level. However, in three EU countries social assistance is a regional competence: *Italy*, *Spain* and *Austria*. The CSB-MIPI dataset provides benefit levels for respectively Milan, Vienna and Catalonia. The

Milanese benefit levels are fairly high as compared to those in other Italian municipalities, the Catalan benefit levels are relatively moderate (Arriba & Ibáñez, 2002), while the Viennese benefit levels are relatively low (Fink, 2008). The Italian situation presents particular problems in measuring the generosity of the social safety net for working age persons. Interregional variation in benefits and eligibility is very strong, particularly between North and South (Minas & Øverbye, 2010). In addition, in Italy there is a relatively high level of discretion with regard to the determination of benefit eligibility and benefit levels. In *the US*, part of the benefit package is determined at the federal government level: the Supplemental Nutrition Assistance Program (SNAP Food Stamps). However, within the Temporary Assistance for Needy Families (TANF) programme which provides cash benefits to families with children, the states are able to determine largely their own course and, moreover, they are empowered to organise additional social assistance schemes (the so-called general assistance). The CSB-MIPI dataset provides information on social assistance benefit levels in Nebraska, New Jersey and Texas. Benefit levels in Nebraska are relatively high while they are relatively low in Texas (relative, that is, in the US context). New Jersey is in between. In *Sweden* and *Norway*, municipalities are relatively free to set their own benefit scales. In Sweden, national guidelines merely define the minimum level of social assistance, while in Norway, national guidelines are not binding. In the CSB-MIPI dataset benefit levels refer to social assistance claimants living in respectively Stockholm and Oslo. However, it should be noted that it is perceivable that benefit levels are atypically generous in Stockholm and Oslo. An empirical study by Lien and Pettersen (2004) points out that in Norway local benefit rates tend to increase with the size of the population, probably due to the higher cost of living. Because cross-country comparisons are based on national rather than regional or local purchasing power parities, it is thus likely that studies that focus on benefit scales prevailing in urban localities overestimate the generosity of social safety nets in Nordic countries.

An important exception with regard to social assistance is Greece, that has no nation-wide safety net which provides for the needy but healthy. Means-tested income support is categorical and mainly targeted to the non-able bodied.

Table 4 provides an overview of the social assistance schemes included in the CSB-MIPI dataset, plus the number of beneficiaries as a percentage of the population at working age[2].

---

[2]   Due to unclear methodology, these estimates only serve as an indication of the prevalence of the social assistance scheme. Estimates are not comparable between countries.

Table 4. Social assistance schemes included in the CSB-MIPI database (1992, 2001 and 2009)

| Country | 1992 | 2001 | 2009 | Share in working age pop. (15-64 yr)[a] | Remark |
|---|---|---|---|---|---|
| AT *Vienna* | Sozialhilfe | Sozialhilfe | Sozialhilfe *Hilfe zur Sicherung des Lebensunterhalts* | 6,6% | 2007 |
| B | Bestaansminimum | Bestaansminimum | Leefloon | 2,01% | June 2009 |
| BG | | | Месечни социални помощи *Monthly social assistance* | 1%[b] | |
| CZ | | Hmotná nouze *Social need* | Hmotná nouze *Social need* | 1,5% of households | June 2009 |
| DK | Konstanthjelp | Konstanthjelp | Kontanthjælp | 3.3% of population aged over 18 years | 2008 |
| EE | | Toimetulekutoetus *Subsistence benefit* | Toimetulekutoetus *Subsistence benefit* | 2,1% (unemployed recipients, excl. pensioners and students receiving benefits) | 2009 |
| FI | | Labour market subsidy | Labour market subsidy | 2,7% | 2009 |
| FR | Revenu Minimum d'Insertion | Revenu Minimum d'Insertion | Revenu de solidarité active | 4% | June 2009; includes working poor |
| DE | Bundessozialhilfegesetz: average over the Länder | Bundessozialhilfegesetz: average over the Länder | Grundsicherung für Arbeitsuchende (SGB II) - Arbeitlosengeld (for persons that are deemed able to work) -Sozialgeld | ALG: 9.17% Sozialgeld: 2.77% (of population younger than 65 yrs) | June 2009 |
| HU | | Rendszeres szociális segély & rendelkezésre állási támogatás | Rendszeres szociális segély & rendelkezésre állási támogatás | 3% | 2009 (total for both forms of the scheme) |
| IE | Supplementary welfare allowance | Supplementary welfare allowance | Jobseeker's allowance | n/a | 2009 |
| IT *Milan* | Minimo Vitale | Minimo Vitale | Minimo Vitale | n/a | |
| LV | | Pabalsts garantētā minimālā ienākumu līmeņa nodrošināšanai *Guaranteed Minimum Income Level* | Pabalsts garantētā minimālā ienākumu līmeņa nodrošināšanai *Guaranteed Minimum Income Level* | 1,8% | 2008 |
| LT | | socialinė pašalpa *Social assistance benefit* | socialinė pašalpa *Social assistance benefit* | 1,6% | 2008 |
| LU | *Revenu Minimum Garanti* | Revenu Minimum Garanti | Revenu Minimum Garanti | 3% of population aged 18-59 years | June 2009 |
| N | *Sosialhjelp Oslo* | Sosialhjelp Oslo | Sosialhjelp Oslo | 3.36% of population aged 6-66 years | |
| NL | Algemene Bijstandswet | Algemene Bijstandswet | Wet Werk en Bijstand | 2,5% | June 2009 |
| PL | | Temporary social assistance benefit[c] | Temporary social assistance benefit[c] | 1,8% | 2008 |
| **PT** | | Rendimento Mínimo Garantido | Rendimento Social de Inserção | | |
| **RO** | | Legea Venitului Minim Garantat *Law on the Minimum Income Guarantee* | Legea Venitului Minim Garantat *Law on the Minimum Income Guarantee* | 276,314 households | June, 31, 2009 |

Table 4. Social assistance schemes included in the CSB-MIPI database (1992, 2001 and 2009) - continued

| Country | 1992 | 2001 | 2009 | Share in working age pop. (15-64 yr) | Remark |
|---|---|---|---|---|---|
| SK | | Socialna pomoc *Social assistance* | Pomoc v hmotnej núdzi *Assistance in material need* | n/a | |
| SI | | Denarna socialna pomoč *social assistance* | Denarna socialna pomoč *social assistance* | 2.88% (+ exceptional sa) 3.16% | June 2009 |
| ES *Catalonia* | Renda Mínima de Inserció (RMI) *minimum income for labour insertion* | Renda Mínima de Inserció (RMI) *minimum income for labour insertion* | Renda minima de inserció (RMI) *minimum income for labour insertion* | 0,64% of population aged 25-64 years (minimum age for RMI = 25) | Beginning 2010 |
| SE | Guidelines of the National Board of Health and Welfare | Ekonomiskt Bistånd *National defined part of Cash maintenance assistance* | Ekonomiskt Bistånd *National defined part of Cash maintenance assistance* | 6.3% | 2008 |
| UK | Supplementary Benefit | Income Support | Job Seekers Allowance (Income based) Income support | JS: 3,9% | Great Britain May 2009 |
| US | | No children: General Assistance and Food Stamps Children: Temporary assistance to needy families and food stamps | No children: General Assistance and Food Stamps Children: Temporary assistance to needy families and food stamps | Food Stamps Nebraska: 7% New Jersey: 5.5% Texas: 12.5% TANF: (numbers) Nebraska: 18888 New Jersey: 78657 Texas: 114,569 | Food Stamps: 2010 TANF: on average for calendar year 2010 |

Notes: [a] Figures are not fully comparable; [b] estimate; [c] In Poland the central and local government both finance 50% of the minimum income guarantee. However, local governments may withhold their part of the benefit, meaning that social assistance beneficiaries only receive 50% of the minimum income guarantee. The CSB-MIPI estimates assume that social assistance recipients fully receive the minimum income guarantee.
Source: National experts (see Table 1 in appendix A)


## 2.3. Income guarantee for the elderly

As is the case for the minimum wage and social assistance, for probing into minimum income protection for the elderly we aimed at comparing similar situations, rather than similar social protection systems. National experts had some freedom to choose which scheme is the typical 'guaranteed minimum income for older people without sufficient resources'. In Europe, several types of social protection schemes fulfill the function of a 'safety net of last resort' apart from the general social assistance scheme: minimum pensions, basic pensions, conditional basic pensions and means-tested minimum incomes (see Goedemé & Van Lancker, 2009). All types of minimum income protection are represented in the CSB-MIPI dataset: minimum pensions (Bulgaria, Poland, Romania (2009)), basic pensions (the Netherlands, Denmark, Norway), conditional basic pensions (Estonia, Finland, Norway and Sweden), the general social assistance scheme (Czech Republic, Lithuania (before 2006),

Luxembourg, Romania (until 2009), Slovakia, Slovenia) and means-tested minimum income protection schemes targeted at the elderly (all other countries, including the three US states). In all countries, except Austria, a national scheme has been included. In the case of Austria, the CSB-MIPI dataset contains information on the *Dauerleistung*, a means-tested minimum income guarantee available for the Viennese elderly. Model family situations have been simulated for single elderly and elderly couples.

One must take some care with the unconditional comparison of the various simulated minimum income situations. First, in some countries contributory benefits have been included: Bulgaria, Poland, Romania (2009) and Denmark (ATP pension, negligible). Except for Denmark, a valid alternative for depicting minimum income situations, would be to refer to the general social assistance scheme. Second, in some countries the benefits are dependent on residence history and a full residence record has been assumed (Denmark, the Netherlands, Finland, Norway, Sweden). Migrants fall back on a lower benefit, or since the early 2000s could benefit from specific schemes in some of these countries. Third, given the very different design of the different types of minimum income protection schemes, the importance of each of these schemes in terms of the number of beneficiaries varies considerably across countries. Although we try to apply as much as possible the risk-type approach, the interpretation of the results in terms of adequacy of the social safety net must be interpreted with the broader welfare state context in mind. Table 5 shows which schemes have been included in the project and the prevalence of each type of benefit around 2009.

Table 5.   Minimum income guarantee for elderly scheme included in the CSB-MIPI database (1992, 2001 and 2009)

| Country | Minimum income guarantee 1992 | Minimum income gurarantee 2001 | Minimum income guarantee 2009 | Prevalence (%) | Remark |
|---|---|---|---|---|---|
| AT (Vienna) | Dauerleistung | Dauerleistung | Dauerleistung *Permanent assistance* | 4,6 | Vienna 2007 |
| BE | Gewaarborgd Inkomen voor bejaarden | Inkomensgarantie voor ouderen | Inkomensgarantie voor ouderen | 4,73 | 2009 |
| BG | | | Minimum pension | 12,5 | % of pensioners, 2009 |
| CZ | | Social assistance | Social assistance | <1 | mid-2000s (1) |
| DE | Bundessozialhilfegesetz | Bundessozialhilfegesetz | Grundsicherung im Alter und bei Erwerbsminderung | 2,5 | end 2008 |
| DK | Folkepension +ATP | Folkepension +ATP | Folkepension + ATP | 98 | (1) |
| EE | | Rahvapension *National pension* | Rahvapension *National pension* | 1,62 | % of pensioners, 2009 |
| ES | Pensión de Jubilación no Contributiva | Pensión de Jubilación no Contributiva | Pensión de Jubilación no Contributiva | 2,6 | end 2009 |
| FI | | Kansaneläke *National pension* | Kansaneläke *National pension* | 47 | of old age retirement pension recipients, 2008 |
| FR | Minimum vieillesse | Minimum vieillesse | allocation de solidarité aux personnes âgées (ASPA) | 5,4 | end 2007 |
| GR | OGA pension for uninsured elderly | OGA pension for uninsured elderly | OGA pension for uninsured elderly / Minimum pension + EKAS | 3.2 (OGA) | 2008 |
| HU | | Idõskorúak járadéka. | Idõskorúak járadéka. | 0,4 | 2009 |
| IE | State Pension (non-contributory) | State Pension (non-contributory) | State Pension (Non-Contributory) | 20 | 2008 |
| IT | Pensione Sociale | Assegno sociale | Assegno Sociale | 6,8 | 2009 |
| LT | | Social assistance | šalpos pensija *social pension* | 1 | 2007 |
| LU | Revenu Minimum Garanti | Revenu Minimum Garanti | Revenu Minimum Garanti | 2,5 | % persons aged 60 and over; 2009 |
| LV | | State Social Securit Benfit | State Social Securit Benfit | 3 | of persons aged 60 and over (1) |
| NO | Folketrygdens minstepensjon | Folketrygdens minstepensjon | Folketrygdens minstepensjon | +/- 100 basic amount; 28.7 supplement | Of persons aged 67 and over |
| NL | Algemene Ouderdomswet (AOW) | Algemene Ouderdomswet (AOW) | Algemene Ouderdomswet (AOW) | +/- 100 | 2009 |
| PL | | Minimalna emerytura Minimum old-age pension | Minimalna emerytura Minimum old-age pension | 4,7 | % of old-age pensioners in employee system, 2007 |
| PT | Pensão Social | Pensão Social | Complemento Solidário para Idosos (CSI) | 11.4% | July 2009 |
| RO | | Social assistance | Pensia socialã minimã Minimum pension | 0,032 | % of pensioners, June 2009 |
| SE | Folkpension | Folkpension | Garantipension | 47,3 | 2008 |

Table 5.   Minimum income guarantee for elderly scheme included in the CSB-MIPI database (1992, 2001 and 2009) - continued

| Country | Minimum income guarantee 1992 | Minimum income gurarantee 2001 | Minimum income guarantee 2009 | Prevalence (%) | Remark |
|---|---|---|---|---|---|
| SI | | denarna socialna pomoè *Social assistance* | denarna socialna pomoè *Social assistance* | 0,65 | % of persons aged 60 and over, June 2009 |
| SK | | social assistance | social assistance | 1 | mid-2000s (1) |
| UK | Supplementary Benefit | Minimum income guarantee | Pension Credit (guarantee) | 21 | % of persons aged 60 and over, 2009 |
| US | | *Supplemental Security Income* | *Supplemental Security Income* | 3 | Of elderly population in the US Number of SSI recipients in - New Jersey: 34 191 - Nebraska: 1970 -Texas: 107 019 |

Notes*:* Unless otherwise mentioned, prevalence refers to number of beneficiaries aged 65 and over as a percentage of the total population aged 65 and over. Figures are not fully comparable.

Source*:* National experts (see Table 1 in appendix A). (1) Social Protection Committee (2006, p. 18-19).


## 2.4.  Questionnaire

The questionnaire of the second wave consists of three parts: an explanation and discussion of the model family simulations, a brief discussion of the impact of the crisis and a pilot survey on conditionality requirements in social assistance. We discuss each part in turn.


### 2.4.1.  Explanation and discussion of model family simulations

The first part of the questionnaire explains how net disposable incomes of low income households have been estimated: the official label of the benefit schemes used, assumptions, sources, etc. This part also provides information on the number of benefit recipients and the major policy changes that may have affected the net disposable income of minimum income recipients in the 1992-2009 period.

Furthermore, in wave 2 we have included several questions with regard to non-discretionary supplementary benefits (both cash (e.g. heating allowances) and in-kind (e.g. food stamps) and associated rights for low-income families. Note that most of these benefits are not included in the model family results, which are mainly based on income from earnings, social assistance, child benefits and housing allowances. This questionnaire constitutes only a first attempt to get a more complete view on minimum income protection in the EU and the US.

## 2.4.2. Questionnaire on impact of financial and economic crisis

Another purpose of the questionnaire is to capture how governments are adapting minimum income protection policies in order to respond to the economic recession. The questionnaire provides a description of the main policy measures taken in the field of minimum income protection since the outbreak of the financial crisis.


## 2.4.3. Questionnaire on conditionality

Social assistance schemes commonly impose a range of work-seeking requirements on able-bodied recipients. Therefore, databases that wish to capture minimum income protection policy cannot restrict themselves to a number of replacement rates and generosity indicators. They should acquire a proper understanding of the manner in which the new striving for integration and activation with the EU is taking shape in policy practice. The existing body of knowledge on activation strategies for social assistance recipients is mainly based on observations in just a handful of European states. An important exception is the broad-based empirical study by Immervoll (2009) that did take stock of the responsibilities of social assistance recipients across OECD countries. Our questionnaire intends to extend this inventory of benefit recipients' obligations to include more Central and Eastern European countries and, more importantly, to broaden its scope by extending it beyond indicators of statutory policy to indicators of actual implementation. The CSB-MIPI dataset provides information on aspects of conditionality, sanctioning as well as empowerment. Table A.1 provides an overview of the items covered.

Table 6.    Aspects of conditionality covered in the CSB-MIPI questionnaire

| 1. Time limits | Present in social assistance system? |
|---|---|
| 2. Sanctions | Existence<br>Specification<br>Indication of frequency of implementation<br>Discretionarity |
| 3. Activity requirements | Existence<br>Specification (type, mandatory, target group)<br>Discretionarity |
| 4. Activation programmes | Overview<br>Short description<br><ul><li>Principal objectives</li><li>Target group</li><li>Mandatory</li><li>Duration</li><li>Government level</li><li>Number of participants</li></ul>Total number of social assistance recipients participating in activation programmes |
| 5. Reasonable jobs | National framework<br>Criteria<br>Discretionarity |
| 6. Earnings disregard | Existence<br>Specification |
| 7. Exceptions on activity requirements | Population groups<br>Specification |
| 8. Taking into account personal circumstances for support | Specification<br>Profiling |
| 9. Care (services in-kind) | Existence<br>Type<br>Agency |

## 3.  Method

### 3.1.  Informants

Data have been provided by national experts on the basis of detailed questionnaires with specific instructions for the model family simulations. The questionnaire and relevant assumptions have been developed with a focus on the maximisation of cross-temporary and cross-national comparability. In case of doubt, national experts were asked to provide simulations that best depict minimum income situations. Whenever necessary, national experts have been asked to provide additional data, corrections and clarifications. The data presented in this report reflect the situation on February 9th (CSB-MIPI dataset Version 1/2011).

In order to increase comparability, as much as possible the same teams of experts have been chosen to provide data for the two waves. National experts have been selected taking into consideration their participation in

earlier studies on social benefit packages (Bradshaw & Finch, 2002), their participation in the network of EUROMOD[3] and/or their outstanding knowledge of social assistance and the tax system as witnessed by their record of scientific publications. The list of national experts as well as the questionnaires can be found in appendices to this report.

## 3.2. Gross series

National experts provided us with time series on:
- Gross social assistance benefit for able-bodied working age couple
- Gross guaranteed minimum income for elderly couple
- Gross average wage

Wave 1 collected data from 1992 onwards, wave 2 from 2001 onwards. Wave 1 also included time series on gross minimum wage (if existent), on national income per capita and on inflation. During wave 2 these time series have been updated using mainly OECD and Eurostat sources. The national experts of the CEE countries were asked to provide us with data on the evolution of minimum wages, social assistance as well as the income guarantee for elderly since 1992.

The data provided by national experts usually draw on national sources (see Table 13 in appendix C). Comparative time series on for example average wages or minimum wages are hard to find. Available time series from Eurostat or the OECD are not always consistent with regard to the economic sectors included, the treatment of part-time work and the treatment of annual bonuses. Moreover, such time series are often only consistent across rather short periods of time. We asked informants to select data series that provide consistent data over relatively long periods of time. It is important to note that we have tentatively compared the CSB-MIPI data on average wages with other data sources (Eurostat, 2010; International Labour Organization, 2010; OECD, 2010b; United Nations Economic Commission for Europe, 2010). We found that, apart from relatively small differences, our main conclusions are not obviously affected by the data.

Of course, the CSB-MIPI data are not entirely free from time series breaks. Such breaks are explained in the notes under the tables and charts. In tables where the evolution is presented by indices like 1992=100 or 2001=100, countries with time series breaks often have a later starting year (e.g. 2002=100).

In the case of social assistance and the minimum income guarantee for the elderly, gross amounts refer to the maximum amount received by a

---

[3] We are grateful to Holly Sutherland for encouraging EUROMOD experts to participate in the CSB-MIPI project.

couple without any other source of income. Unless mentioned otherwise, the series always refer to the specific schemes only and exclude all other potential benefits (most notably housing allowances). Not all national experts were able to provide us with the data that we asked for. The CSB-MIPI dataset lacks data on the evolution of gross social assistance benefit levels in Bulgaria, Hungary, Lithuania, Latvia and Poland and on the evolution of gross guaranteed minima for the elderly in Bulgaria.

## 3.3. Model family simulations

The CSB-MIPI data on net incomes are based on the model family technique. This section starts by explaining this method. Next, we describe the assumptions used for computing the income components. Finally, we tentatively examine the representativeness of some of the assumptions used.

### 3.3.1. Method

The CSB-MIPI data on income components and net disposable income are based on the model family type approach. This approach basically involves calculating the net disposable income for a set of hypothetical families, given existing welfare state arrangements. More in particular, the technique starts with defining specific family types, making assumptions about the number of persons in the household, their age, their marital status, their status on the labour market, their gross earnings, their housing situation, etc. For these family types the amount of taxes and social contributions is calculated, as well as the amount of fiscal and social benefits. In doing so, the net disposable income for each family type can be determined.

The main advantage of this method is its simplicity. Model family results are simple and easy to understand. Another advantage is its limited data requirements, as the method does not require survey data where welfare recipients are usually greatly underrepresented, where a number of elements pertaining to social assistance benefit packages tend to be underreported and that allow for little distinction between various means-tested benefits (Behrendt, 2002).

However, model family simulations are also subject to important limitations. First and foremost, most model family results do not measure the entire benefit package of poor households. The estimates pertain to fairly limited types of financial aid provided to the poor: basic social assistance rates, housing benefits, family allowances and their fiscal treatment. It has been assumed that there are no other sources of income. Other potentially important income sources for low-income

families include: production for own consumption, inter-household transfers, discretionary and non-discretionary in-kind benefits from social assistance or other schemes as well as other associated rights which are aimed at reducing costs such as reduced fares on public transport, health care, etc. To the degree that these kinds of incomes vary cross-nationally and/or cross-temporary they may undercut the validity of comparing the simulated net disposable household incomes. Supplements for water, electricity, school costs, etc. are quite common in countries like Sweden, Belgium and France. Analyzing the amount of in-kind benefits and associated rights in 13 cities in France in 2007, Anne & L'Horty (2008) find that these benefits make up between 15 and 20 per cent of the income of low earning households. However, in countries like the United Kingdom and Ireland supplements on top of the basic rate and housing benefits are rather exceptional and are intended for exceptional and urgent needs only.

The reason why in-kind benefits and associated rights are often omitted, is that for most countries it is virtually impossible to estimate their value by means of an average or even typical or illustrative amount. These types of aid are usually greatly decentralized (i.e.: regulated on a sub-national level) or are subject to the social workers' discretion (i.e.: not regulated). Similarly, the international diversity in terms of the cost of public services, such as healthcare, education and childcare is difficult to put in numbers, as the use of these services differs strongly depending on the personal needs. Including these costs in the assistance package would therefore quickly boil down to making a whole number of assumptions. The most pragmatic solution is therefore to make an estimate of the benefit package excluding all supplements, in-kind benefits and costs for public services. In so far as such benefits are discretionary, this approach can also be justified from a purely legal point of view. Studies on social assistance usually aim to gauge the legal entitlements of assistance claimants, i.e. the minimum income level that is available to all healthy social assistance recipients, regardless of their place of residence, social worker, racial background, etc.

A second area for improvement of existing indicator sets is the estimation of housing allowances. Model family simulations tend to take into account a housing allowance based on a very rough estimate of the cost of housing. The methodological problems in the estimation of housing costs are discussed in more detail in Section 3.3.2, point 4.

A third problem with model family simulations is that this technique assumes full compliance with (national) legislation, and in the case of minimum wages full enforcement. We know from the literature this to be a strong assumption (see e.g. Bargain, Immervoll, & Viitamäki, 2010; Hernanz, Malherbet, & Pellizzari, 2004).

Fourth, they tend to take inadequate account of the regional variation of benefit levels within countries. In a number of federal states, including Spain and Austria, there is no national social assistance system for persons of working age. Instead, benefit amounts are fixed regionally. Similarly in Sweden and Norway, national benefit amounts are lacking. Benefits are determined at the municipal level. For such countries, the existing databases either estimate an average social assistance benefit or they provide an illustrative value. They provide little insight in the geographic variation in benefits in these countries.

Fifth, model family results are strongly affected by a number of choices made: choices about the selection of model families, choices about locality, choices about housing costs, etc (Van Mechelen, Verbist, & Van den Bosch, 2004). Such choices seriously limit the purposes for which a dataset can be used. For example, datasets that focus on families with children cannot be used to assess the overall generosity of social safety nets since countries vary significantly in the treatment of households with children compared to households without children. In other words, model family results typically provide us with only a partial picture of the generosity of the social safety net because they fail to take into account the heterogeneity of the population (Immervoll & O'Donoghue, 2002). Related to the heterogeneity of the population, is the issue of the representativeness of the chosen family types across time and space. For example, one could ask how prevalent certain family types in specific countries are: e.g. lone parent is, one-earner couples, social assistance recipients living in a rented accommodation, or social assistance recipients with zero earnings. The issue of representativeness is discussed in more detail in Section 2.3.4.

Finally, model family results are not always straightforward to compare because of cross-country differences in the role of specific social protection arrangements. For example, rates of social assistance receipt (and thus the relevance of model family results on social assistance) vary considerably between countries due to differences in the salience of other arrangements (i.e. social insurance programmes) and to differences in both the eligibility and entitlement rules and take-up of social assistance. For an overview of studies of non-take up see e.g. Hernanz et al. (2004) and Fuchs (2009).

### 3.3.2. Assumptions

Net disposable incomes have been simulated for several model families at three moments over the past 20 years: 31 May 1992, 30 June 2001, 30 June 2009. Five different income situations have been simulated:
- two-earner family, both adults working full time, national average male earnings plus national average female earnings
- one-earner family, one adult working full time, national average male earnings
- one-earner family, one adult working full time, minimum wage (or 50% of the average male earnings)
- family receiving social assistance for working age persons
- family receiving minimum income guarantee for elderly

Except for the latter, the person receiving a wage or benefit is assumed to be 35 years old. In the case of the minimum income guarantee for elderly, the beneficiary is assumed to have the minimum age to be entitled to a full pension benefit. In all cases, it has been assumed that there are no other sources of income.

For each of these income situations several household types have been included:
- a single-person household,
- a couple
- a couple with two children (7 and 14 years)
- a lone parent with two children (7 and 14 years)
- a lone parent with one child (2 years).

Couples are supposed to be married, and the lone parent is divorced. If additional assumptions were necessary, national experts have been asked to focus on assumptions which ensure best comparability between 2001 and 2009 and assumptions which best depict *minimum* income situations.

Table 7. Schematic overview of the simulated family types and income situations

| Income situations<br><br>Family types | Both adults working at average wage | One adult working at average wage | One adult working at minimum wage | Receiving social assistance for able-bodied of working age | Minimum income guarantee for elderly |
|---|---|---|---|---|---|
| **Single** | | X | X | X | X |
| **Couple (married)** | X | X | X | X | X |
| **Couple (married) with 2 children aged 7 and 14** | X | X | X | X | |
| **Lone parent (divorced) with 2 children aged 7 and 14** | | X | X | X | |
| **Lone parent (divorced) with 1 child aged 2** | | X | X | X | |

### 3.3.3. Income components

Net disposable income is defined according to OECD (2002) as the sum of the principal income component (gross average wage, minimum wage, social assistance benefit or income guarantee for elderly) plus child cash benefits and housing allowances minus income taxes, social contributions and local taxes. Unlike the OECD, housing allowances were only taken into account insofar they are not discretionary awarded. For a lone parent with one child, child care costs were estimated. Where applicable, negative income taxes (which lead to an increase in the net disposable income) have been taken into account.

In the following sections we will subsequently discuss in more detail the assumptions regarding personal income taxes, social security contributions, local taxes child cash benefits and housing allowances. The principal income components have been discussed in section 2.

### 1. Income taxes

Respondents were asked to calculate the income tax payable by the different family types, according to their income situation. It was asked to include all national and sub-national income taxes[4], taking into account the tax credits and allowances administered through the tax system. However, it was asked to exclude deductions and credits for children and

---

[4]    The local taxes income component for the three US states contains also state taxes, while federal taxes are recorded under income tax.

child care services, as these had to be included under net child cash benefits and net child care costs.

But, as child deductions are an intricate part of the income tax system in most countries, they are hard to separate from the total tax amount. Therefore, most national experts did include them under income tax. This is not the case for Austria, Germany and the United Kingdom. As both respondents considered the existing child tax credit to be more similar to a cash benefit, it was included under child cash benefits.[5] A similar problem arose regarding the treatment of deductions for child care costs. These were integrated in the net child care costs in most countries, except for Germany, Luxembourg, Norway and the United States.

More specific information on the allowances taken into account for the model family simulations (2009) and on necessary additional assumptions can be found in Table 3 in appendix B.

## 2. Social insurance contributions

Respondents were asked to include all contributions that benefit recipients or working people (employees) are statutorily required to make. Other (voluntary) contributions to either private or public schemes are excluded from the simulations.

The inclusion of the social insurance contributions requires a number of additional assumptions, as in some countries contributions vary by the socio-professional category of the worker (e.g. Belgium). Table 8 provides an overview of the assumptions mentioned by the national experts.

---

[5] In Austria, the child tax credit is transferred together with the family allowance. Furthermore, the credit is independent of income, and does not affect income tax or other tax credits.

Table 8.   Social insurance contributions: information available on additional assumptions made, 2009

| AT | White collar worker<br>Monthly average rate for 12 normal payments and 2 special payments |
|----|------|
| B | Private sector, white-collar employee |
| EE | Contributions are paid to the funded pension scheme. |
| FI | No voluntary unemployment contributions were included in the calculations. (Note: majority of working age persons do contribute voluntarily.) |
| GR | There are different contribution rates. General regime IKA pay 16%, civil servant pay 19.62% of gross earnings. The average earners were assumed to be civil servants, family types in other income situations were assumed to be under the IKA regime. |
| IT | National insurance contributions due by workers vary by sector and firm size. For employees in general industry, the most common rates are 9.19% (if no more than 15 workers) and 9.49% (if more than 15 workers).<br>The 9.49% rate was used. |
| LU | White collar worker |
| LV | Exempted families are not voluntarily contributing to the social security or health insurance benefits. |
| NL | Note: Contributions for the Netherlands were calculated using Microtax software, which includes the complete tax and benefit system. All national insurance contributions and exemptions are used in the simulations. |
| UK | Class 1 national insurance contributions for employed persons. |

Source: National experts (see Table 1 in appendix A)


## 3.   Local taxes

The local taxes in the CSB-MIPI dataset intend to cover local property and other non-income taxes. Also, an attempt was made to gather data on additional charges, like water, sewerage and garbage collection. Table 4 in appendix B provides an overview of the charges taken into account in the simulations for 2009. It should be noted that for France and Portugal assumptions with respect to local taxation changed between wave 1 and wave 2, which complicates comparisons over time[6].  However, in France – as in most countries - local taxes do not considerably influence the level of net disposable income. In Portugal the share of local property and other non-income taxes in the net disposable income of low-income households is somewhat more substantial (this is also the case in Latvia, Romania and the United Kingdom).

Estimating local taxes of course requires choices with respect to locality. Respondents were asked to select the same municipality (the capital or a major city) to estimate all income components (e.g. child care costs) and to complete the conditionality questionnaire. An overview of the selected localities is presented in Table 2 in appendix B.

---

[6]   France changed the assumption with respect to locality. For Portugal, wave 1 did not include local taxes.

*4. Housing allowances*

The CSB-MIPI model family results include housing allowances, if non-discretionary. Housing allowances are discretionary and therefore omitted in the case of *Belgium*, *Lithuania*, *Portugal*, *Spain* and the *US*, though a significant number of low-income families may receive them. This corresponds to our aim to depict minimum income situations. It is not clear to what extent housing allowances in *Ireland* and the *Netherlands* are (or have become more or less) discretionary, as the information available is rather inconsistent. In the case of the latter two countries, for 1992 and 2001 the CSB-MIPI dataset provides simulations excluding housing allowances; for 2009 it provides estimates both including and excluding housing allowances. The evolution of net disposable income is best analyzed excluding housing allowances. For *Denmark* the CSB-MIPI dataset does not include housing allowances although social assistance recipients may receive them, especially during the first six months. After the first six months, the social assistance benefit package is reduced to a certain maximum amount; housing allowances are netted out of this maximum or simply cut off. The simulations in the CSB-MIPI dataset are based on the maximum social assistance benefit level after 6 months of benefit dependency. In *Greece*, housing allowances are contribution-based, and therefore not always accessible by families in precarious income situations. Therefore, the CSB-MIPI data do not include housing allowances for Greece[7].

In countries with housing benefit schemes, the level of the housing benefit is often dependent on the level of housing costs. As a result, assumptions with regard to housing costs can have a large impact on the final net disposable income levels. However, methodological problems in the estimation of housing costs are considerable. Currently, three main approaches are used. All three approaches adhere to the assumption that minimum income families are renting their dwelling.

The first approach is to ask national informants to specify a gross rent level for a particular type of dwelling in the most common rental tenure, in a specific place in their country (Bradshaw & Finch, 2002). This approach is taken by, for example, Nelson (2007), and in earlier studies by the SPRU at the University of York (for example, Eardley, et al., 1996). This approach allows to take account of the variation between countries in the tenure distribution and the variation within countries in housing costs according to size (that is, if several types of dwelling are specified). The disadvantage of this approach is that it does not allow rents to vary with the income of the family. Moreover, the obtained rents tend to vary a good deal across locality (Bradshaw & Finch, 2002).

---

[7]  In the case of the elderly two scenarios have been simulated: a non-contributory and a contributory minimum income sscheme. The scenario with the contributory minimum pension includes these contributory housing benefits.

The second approach draws on the assumption of a rented accommodation with rental costs equal to 20 per cent of average earnings, which is assumed to approximate the average level of housing consumption across the OECD countries. The OECD (2004) justifies this housing cost assumption on the grounds that, first, no practical alternatives are obviously preferable, and second, that it is transparent and easily understood. Nevertheless, there are several drawbacks. First, families of different size are likely to spend different amounts to housing while the standard of 20 % does not vary by household size (Bradshaw & Finch, 2002). Second, this housing cost assumption does not reflect the typical housing cost of low income families in many OECD countries (see also section 5). Households on minimum income benefits are likely to spend less than the average housing cost.

A third approach is to estimate housing costs on the basis of the average or median net rents according to international survey data like EU-SILC. This is the method used in the CSB-MIPI dataset. The advantages of this approach are quite similar to using national informants. It is based on empirical rent figures and allows to take into account the most common rental tenure and to vary by household size. However, we hope this approach to be more robust than the approach using national experts, although this has yet to be seen. It is still unclear whether this method will produce more stable housing costs than national experts.

The CSB-MIPI data draw on the assumption of a rental costs of two thirds of the median rent paid by households in the respective country. Estimates of the median rent have been based on EU-SILC 2007, up rated with Harmonized Indices of Consumer Prices for housing (actual rentals only; June 2009) made available by Eurostat. Table 9 summarizes the assumptions with respect to the size of the dwelling for each family type (as measured by the number of bedrooms). A separate room for children aged 14 is in line with the definition of overcrowding used in Eurostat's statistics on housing conditions, under the assumption that both children have a different gender (see, for example, Rybkowska & Schneider, 2011).

Table 9.    Assumptions with respect to household composition and type of dwelling, 2009

| Family Types | Number of bedrooms |
| --- | :---: |
| Case A: single | 1 |
| Case B: couple | 1 |
| Case C: couple + 2 children | 3 |
| Case D: lone parent + 2 children | 3 |
| Case E: lone parent + 1 child | 2 |

The EU-SILC allows to calculate different rent levels for private rented and for social rented houses, at least for most countries. Respondents were asked to select the type of rental cost they deemed most appropriate for their country. Table 10 shows the rent levels that have been used to calculate housing allowances as well as the net disposable income after housing costs.

Table 10. Two third of monthly median rent (excluding other housing costs) for several types of dwellings, in national currency, prices June 2009.

| country | type | 1 bedroom | 2 bedrooms | 3 bedrooms |
|---|---|---|---|---|
| **Austria** | Private except for lone parents | 218 | lone parent: 219 | 331 Lone parent: 239 |
| **Belgium** | private | 270 | 312 | 312 |
| **Czech R.** | private | 3.456 | 3.456 | 3.059 |
| **Denmark*** | Average of private and social rented | 2.335 | 2.830 | 3.062 |
| **Estonia** | private | 623 | 623 | 623 |
| **Finland** | Private | 284 | 323 | 376 |
| **Germany** | private | 197 | 238 | 296 |
| **Greece** | private | 201 | 244 | 287 |
| **Hungary** | social | 6573 | 6573 | 6573 |
| **Ireland** | private | 454 | 454 | 454 |
| **Lithuania*** | Private and social rented | | 123 | |
| **Luxembourg** | private | 439 | 474 | 509 |
| **Netherlands*** | Private and social rented | 250 | 287 | 294 |
| **Norway** | private | 2.845 | 3.201 | 3.485 |
| **Poland** | private | 216 | 273 | n.a. |
| **Portugal** | social | 53 | 42 | 45 |
| **Slovakia** | private | 18 | 18 | 19 |
| **Slovenia** | private | 95 | 106 | 106 |
| **Spain** | private | 301 | 287 | 301 |
| **Sweden** | private | 2.996 | 3.611 | 4.274 |
| **UK** | social | 182 | 191 | 210 |

n.a. = no data available

* The SILC data do not allow to distinguish between private rented and social rented dwellings for Lithuania, the Netherlands and Denmark.

Source: SILC 2007, own calculations

Note that in a number of countries, housing allowances do not depend on actual housing costs. *Greece*, for example, has a fixed, means-tested, contribution-based housing allowance. Also in the *Slovak Republic*, the housing allowance is a fixed amount. In the *Czech Republic* and *Slovenia*, housing allowances depend on a "normative rent" set by law.

National experts have been asked to comment on the rent levels in table 10 and to do a sensitivity analysis when better national data were available. We received some comments that renting costs were perceived as (very) low, but that no better estimates were available. Germany and Sweden provided alternative simulations in addition to the low EU-SILC estimates, based on average housing costs or allowances. Figure 1 compares the net disposable income of households on social assistance using both the EU-SILC data and the alternative simulations. Other countries (France, Italy and Latvia) used alternative data that the experts deemed more appropriate. These rent levels and underlying assumptions are presented in table 11. This table also shows the rent levels used for the US, for which no EU-SILC data are available.

Figure 1.    Comparison of net social assistance under different housing cost assumptions for Germany and Sweden, 2009
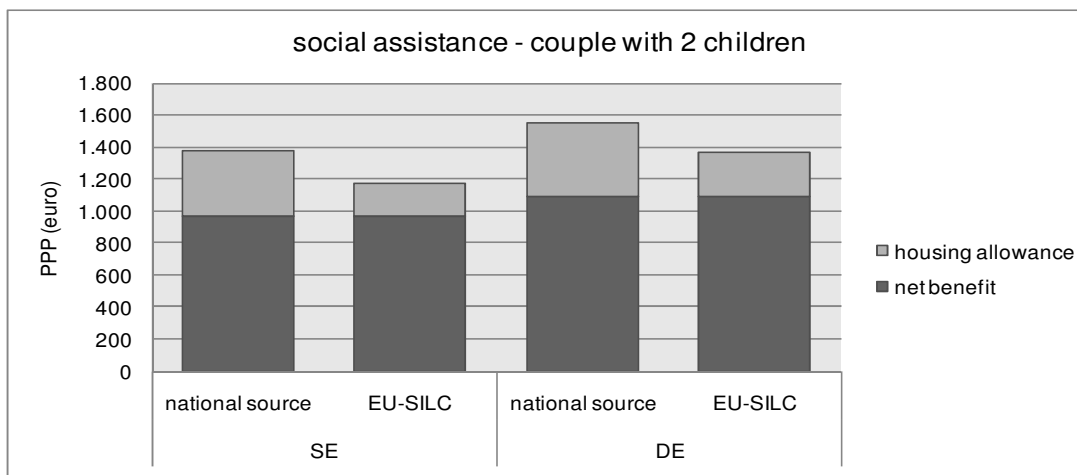


Note: Alternative housing allowances for Sweden (SE) are based on average housing costs in Sweden. Alternative data for Germany (DE) are the national average of maximal housing costs for housing allowances that are recognized and actually accepted by welfare offices in Germany.

Source: National experts (see table 1 in appendix A); own calculations

Table 11. Assumptions with respect to housing costs (DE, FR, IT, LV, SE, US), 2009

| Country | Housing cost | Assumption |
|---|---|---|
| Germany | A: €216; B: €333; C: €418; D: €454; E: €368 | National average of maximal housing costs deemed acceptable by local welfare offices: based on survey data |
| France | A, B, C, D, E: € 560 | 20% of average wage |
| Italy (Milan) | A and B: €345; C and D: €472; E: €414 | 2/3 of average cost of a semi-periphery dwelling in Milan |
| Latvia [a] | A, B, C, D and E: LVL 118,81 | Average housing allowance, based on administrative data. |
| Sweden | A: 3507,58 SEK; B: 4774,17 SEK; C: 7264.17 SEK; D and E: 5889,25 SEK | Average level of rent in Stockholm |
| US Nebraska | A and B: $339; C and D: $ 606; E: $431 | 2/3 of fair market rent of capital Lincoln |
| US New Jersey | A and B: $642; C and D: $923; E: $ 772 | 2/3 of fair market rent of capital Trenton |
| US Texas | A and B: $375; C and D: $598; E:$451 | 2/3 of fair market rent of capital Austin |

Notes: A: single; B: couple; C: couple with two children aged 7 and 14; D: lone parent with two children aged 7 and 14; E: lone parent with 1 child aged 2. [a] Data for Latvia refer to the level of housing allowances, not of housing costs. However, in the case of social assistance recipients that have no income other than social assistance, the amount of the housing allowance equals the amount of housing costs.

Source: National experts (see table 1 in appendix A)

Furthermore, it is not clear whether the assumption of renting an apartment is the most appropriate assumption for all minimum income cases. The national experts of Bulgaria and Romania argued that this assumption is not representative given the high level of owner-occupation in their country (see section 3.3.3 for empirical evidence). For these countries, we assumed that minimum income households are owner-occupiers.

Housing costs raise additional issues with respect to the cross-temporal comparability of the CSB-MIPI data, as the housing cost assumption in wave 1 draws on ECHP-data (1999) while wave 2 draws on EU-SILC-data (2007). The ECHP and the EU-SILC differ with regard to the definition of housing costs.[8] Moreover, the ECHP did not allow to distinguish between the rental costs of one, two and three bedroom apartments. Instead, rent levels were calculated per family type. Finally, wave 1 assumed a rental cost for low-income families of equal to 2/3 of mean rent, while wave 2 is based on a rental cost of 2/3 of median rent.

For a number of countries, net social assistance benefit packages excluding housing allowances probably provide the most accurate picture

---

[8] The housing cost assumption in wave 1 draws on the following question in ECHP 1999: "How much is the monthly rent, including any services or charges which are paid with the rent? If only the amount net of housing benefit is known, please record the amount below." The estimate of median rent in wave 2 was based on EU-SILC 2007, using a variable referring to the total monthly current rent paid on the main residence of the household, including charges for the use of a garage, but excluding other costs that are paid at the same time as the rent.

of the evolution of minimum income protection, especially for countries where all reasonable housing costs are reimbursed. This is the case in the United Kingdom, Finland, Sweden, Norway and Germany.

There are several ways in which to award housing allowances. They can be provided within the social assistance scheme, by a separate scheme, or by a combination of both. The CSB-MIPI dataset did not explicitly try to distinguish between the source of housing allowance. However, some national experts, mainly for the Scandinavian countries, where housing costs are partly reimbursed through social assistance and partly through a housing allowance scheme, did make a distinction. In some other countries, where housing allowances are not an integrated part of social assistance, they may be regarded as income for means-testing purposes within the social assistance scheme. This is the case for Slovakia and the Czech Republic in 2001 and for Poland, where housing allowances are supplemented by the social assistance scheme in order to obtain the minimum income.

## 5. Child cash benefit

Child cash benefits include all income and non-income related child cash benefits. National experts were asked to take also account of refundable tax credits. However, as we already pointed out, many respondents included such tax benefits under income tax (cf. supra). Only three national experts included child tax credits under child cash benefits: Austria, Germany and the United Kingdom.

Table 5 in appendix B provides an overview of the available information on child cash benefits included in the model family simulations for 2009. In some countries, child cash benefits are considered as income for the means test for social assistance (and consequently diminish the amount of social assistance). Table 12 provides an overview of the countries in which this is the case.

Table 12.  Social assistance: treatment of child benefits, 2009

| Country | Child benefit netted of against social assistance? | | |
|---|---|---|---|
| | Yes | No | Partly[a] |
| AT | | X | |
| B | | X | |
| BG | | | X |
| CZ | X | | |
| DE | X | | |
| DK | | X | |
| EE | X | | |
| ES | | X | |
| FI | X | | |
| FR | | | X |
| HU | | X | |
| IE | | X | |
| LT | | | X |
| LU | | X | |
| LV | | X (since 19/3/2009) | |
| N | | X | |
| NL | | X | |
| PL | X | | |
| PT | | X | |
| RO | | | X |
| SE | X | | |
| SI | | X | |
| SK | | X | |
| UK | | X | |
| US | | X | |

[a] Due to existence of several, differently treated, child benefits in the CSB-MIPI dataset, or because of the coefficients applied in the means-test.

Note: Greece not included, as no general social assistance scheme exists. Italy is not included as social assistance recipients are not entitled to child benefits which in Italy are contributory..

Source: National experts (see table 1 in appendix A)


## 6. Child care costs

As mentioned earlier (section 3.3.1), one of the family types in the CSB-MIPI database concerns a lone parent with a two-year old child. This family type was only taken up in the 2009 round. As child care costs are a heavy burden to face for lone parents, respondents were asked to provide estimates on the average monthly costs of the most commonly used full-employment-day, full week, regulated child care service. Respondents were asked to provide us with amounts net of possible child care tax credits or deductions, in order to gauge the real impact of child care expenses on the household budget of lone parents.[9]

Table 6 in appendix B provides an overview of the available information on used child care costs, tax benefits and additional assumptions. The assumptions about the place of residence of the model families have

---

[9]    However, the CSB-MIPI data provide gross childcare costs for Germany, Norway, Luxembourg and the US as possible deductions are included under income tax.

already been presented in Table 2 in appendix B (see also section 3.3.2, point 3).

## 7. Social assistance top-ups

The questionnaire does not explicitly ask about social assistance top-ups for low wage earners. If such top-ups are not taken into account, the net disposable income for a one-earner family at minimum wage, sometimes turns out to be lower than the net disposable income of a household on social assistance, especially for 1992 and 2001, and mainly for families with children (see table 7 and 8 in appendix B). Where this is the case, national experts have been asked to calculate the net disposable income after social assistance. However, it is important to note that the CSB-MIPI dataset provides no systematic evaluation of social assistance top-ups for low-wage earners. Especially data referring to 1992 and 2001 were difficult to find. Furthermore, it was not possible to conduct an inquiry into the conditionality and specific calculation of these top-ups. Neither do we fully capture the scheme by which the additional support is provided. Therefore, the available information is rather fragmented and should be used for indicative purposes only (see Table 13 for information available for 2009).

Table 13. Availability of social assistance to low wage earners, 2009 – couple + 2 children

| Country | SA top-up | Remarks |
|---|---|---|
| CZ | yes | Automatically included in calculations by expert |
| DK | no | One-earnership is no accepted social event. |
| FI | Yes | |
| IE | Yes, Family income supplement for low-income families with children | Not enough to lift family above net disposable income at social assistance |
| LT | yes | Ensures net disposable income higher than ndi at social assistance |
| LU | yes | A higher housing allowance |
| PL | yes | Highly categorical |
| PT | yes | Not self-evident |
| SI | yes | Automatically included by expert |

Source: National experts (see table 1 in appendix A)

### 3.3.4. Representativeness

Although the main purpose of the model family technique is to illustrate the operation and adequacy of tax benefit systems for specific family types rather than to give a representative picture, it is worthwhile to consider the cross-national differences in the prevalence of certain family types. Figure 2 shows the cross-country variation in the share of the working age population not living in one of the family types studied

(single, couple without children, couple with 2 children, lone parents with 1 or 2 children), using EU-SILC 2008 data[10]. It seems that in the old European Member States large shares of the population are living in one of these five family types, particularly in the Nordic countries (more than 40%). By contrast, in the Central and Eastern European countries the model family simulations are relevant for only small proportions of the population. This pattern seems to hold for other subsets of the population represented in the CSB-MIPI dataset as well, for instance for children aged 7-14 (see Figure 3) and for the elderly (Figure 4). It is noteworthy that the representativeness differs considerably among the various family types. Especially the lone parent type case represents in most countries only a very small subset of the population, as can be seen in Figure 5.

---

[10]    Please note that German EU-SILC data are not the result of a fully random sample and are only included for indicative purposes only.

Figure 2. Percentage of persons aged 18-50 not covered by family type simulations
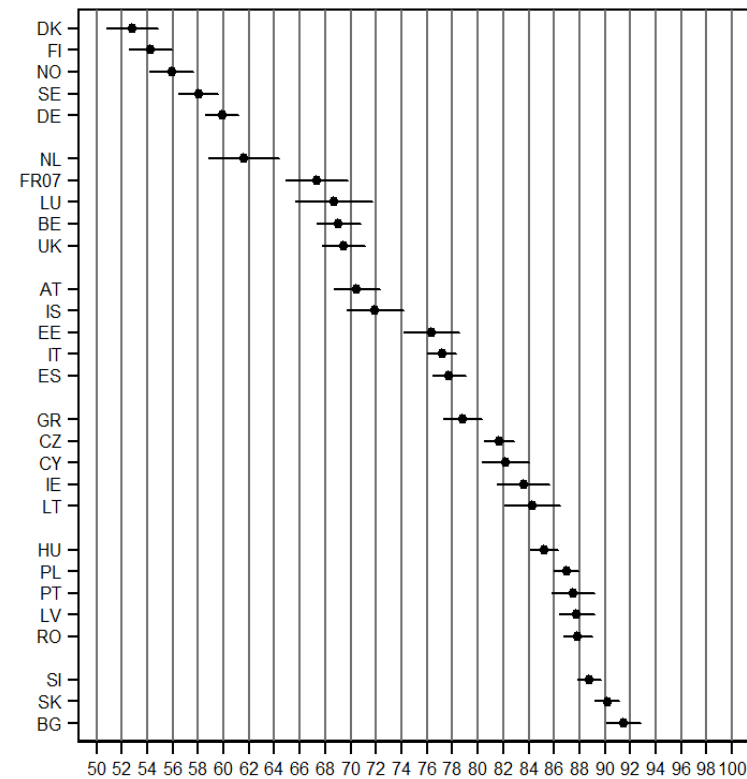
Figure 3. Percentage of children aged 7-14 not covered by family type simulations
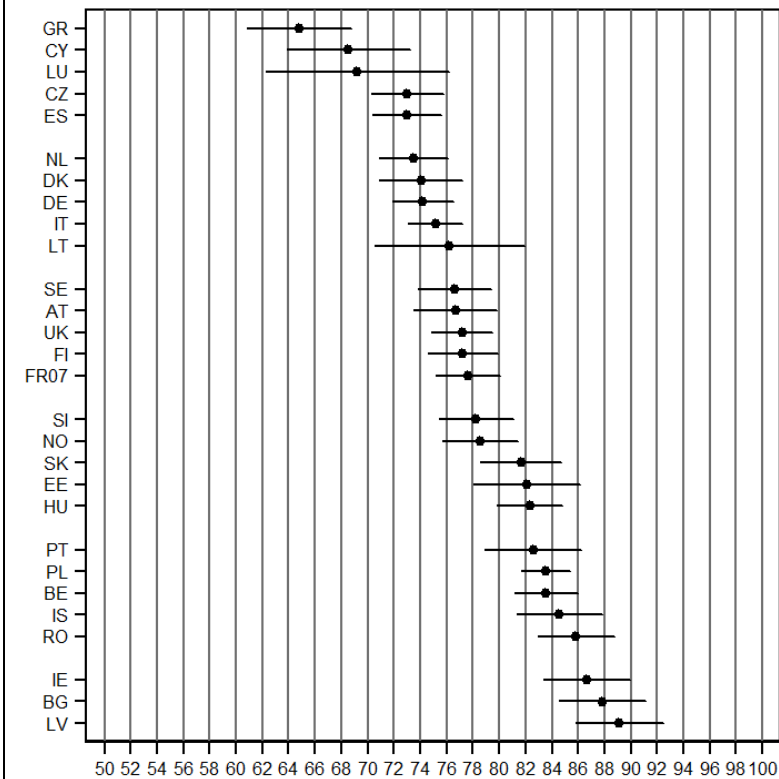
Note: The model family types are defined somewhat broader than those for the simulations. For those aged 18-50 the percentage refers to the population NOT living as a single, a couple, a household consisting of a couple with 2 children aged 7-15 years, a single parent household with 2 children of between 7 and 14 years old; or a single parent with one child of less than 3 years old. For those aged between 7 and 14 years it refers to 7 to 14 year olds NOT living in a household consisting of a couple with at least one parent between 18 and 50 years old and two children of between 7 and 14 years old, or a single parent household with 2 children in this age category. 95% confidence intervals, methodology as in Goedemé (2010).

Source: EU-SILC 2008 (FR: EU-SILC 2007), own calculations.

Figure 4. Percentage of population aged 65 years and over and not covered by CSB-MIPI
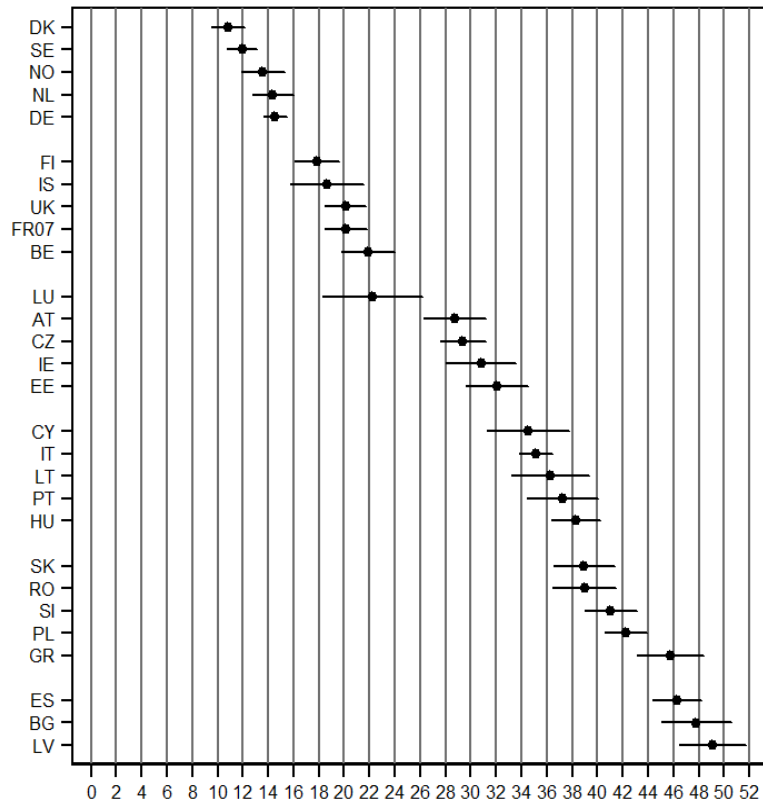
Figure 5. Percentage of population aged 18-50 living as a single parent with one child of less than 3 years old
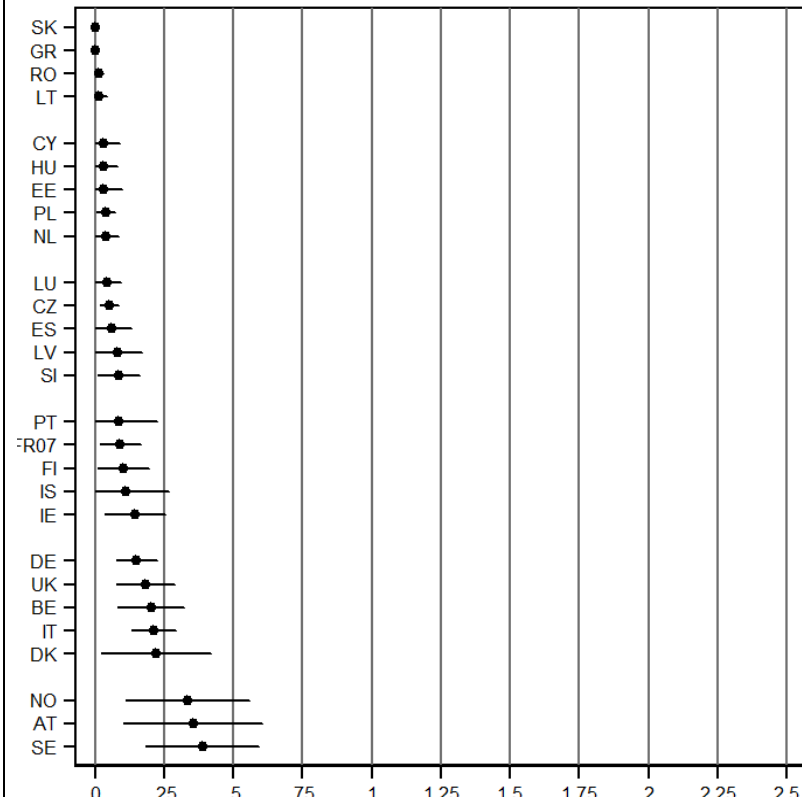
Note: The model family types are defined somewhat broader than those for the simulations. In the case of the elderly the percentage refers to the number of those aged 65 and over not living as a single or only with their partner of the same age category. In the case of single parents the percentage refers to persons living in a two-person household consisting of one parent of between 18 and 50 years old and a child aged less than 3 years. 95% confidence intervals, methodology as in Goedemé (2010).

Source: EU-SILC 2008 (FR: EU-SILC 2007), own calculations

Figure 6 shows the percentage of owner-occupiers among the low-income population (income below 70% of median income). It shows that the assumption of low-income families living in rented accommodation is adequate in countries like Germany, the Netherlands, France, Austria and Sweden, while it is less adequate in most Southern European and Central and Eastern European countries.

Figure 6.  Percentage of owner-occupiers among the population with an equivalent net disposable household income below 70% of the national median, 2008
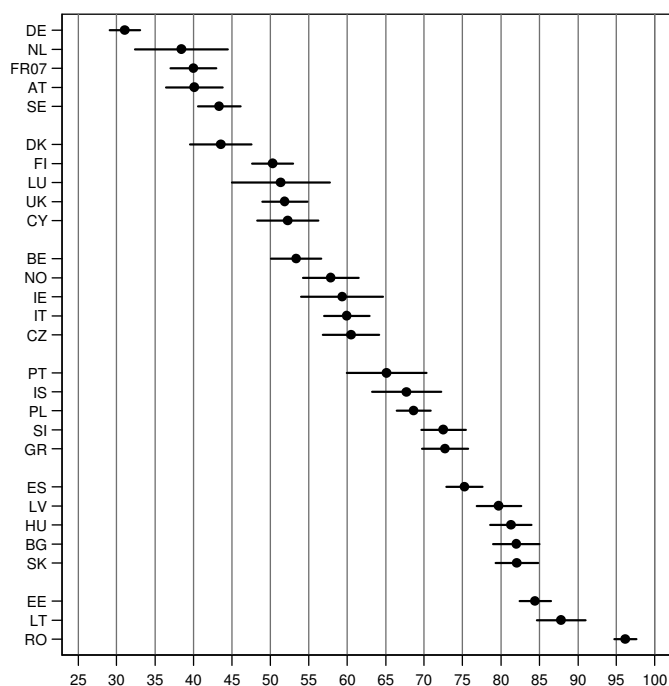


Note: 95% confidence intervals, methodology as in Goedemé (2010)
Source: EU-SILC 2008 (FR: EU-SILC 2007), own calculations

## 4.  The evaluation of benefit levels

Benefit levels can be evaluated in many different ways. From a cross-temporary perspective we could ask how the purchasing power of benefits has evolved over time. Another issue is to what degree benefit levels have followed changes in the average living standard in society. The latter is particularly important for assessing the degree to which benefits gain or lose potential to lift households out of poverty. In addition, the purchasing power of benefits can be compared cross-nationally, taking account of cross-national differences in price levels. We discuss four different tools to compare benefit levels: (1) consumer price indices, (2) purchasing power parities, (3) average gross wages and (4) median equivalent household income.

## 4.1. Consumer price indices

Ideally, the evolution of purchasing power offered by benefits is evaluated in relation to the evolution of the prices in a relevant basket of goods and services. The composition of consumption baskets tends to vary with income and rural-urban divisions (e.g. The Canberra Group, 2001). Furthermore, the relevant consumption basket changes over time. However, cross-national comparative consumer price indices (CPIs) typically refer to an average consumption basket, which may be very different from the average consumption basket of households living on minimum incomes (e.g. Deaton, 2006, pp. 25-26). As a consequence, the evolution in prices of the average basket may also differ considerably from the relevant basket for persons living on minimum incomes. Although the use of consumer price indices is indispensible for evaluating cross-temporary changes in the purchasing power offered by benefits, one may not forget this important limitation. The following formula applies:

$$Benefit_{year(i)} \, in \, prices \, of \, 2011 = \frac{Benefit_{year(i)}}{CPI_{year(i)} \Big/ CPI_{2011}}$$

By dividing the benefit of a certain year by the ratio of the CPI of that year and the CPI of the base year, all amounts are expressed in prices of the base year. Subsequently, the amounts may be expressed as an index by dividing them by the amount of a base year (e.g. the first recorded value). The choice of the base year for the index is non-trivial: it determines in important respects the outlook of concomitant graphs as well as the direct/intuitive interpretation of evolutions over time. We use the harmonised consumer price indices (HICP) published by Eurostat to the extent possible. However, for time series going beyond 1996 we use ILO data which cover a longer time period and more countries. However, the ILO data are based on the *national* consumer price indices, without the harmonisation process behind Eurostat's HICP.


## 4.2. Purchasing power parities

When evaluating the purchasing power of benefit levels cross-nationally, benefit amounts cannot be directly compared. Both currencies and price levels may differ across countries. As a result, even if benefits are expressed in the same currency, a higher benefit level does not always correspond to a higher purchasing power. In order to overcome this problem, purchasing power parities (PPPs) can be used to convert benefit amounts expressed in national currency into so-called 'purchasing power standards' (PPS), which in European terms is equivalent to "euro-PPPs". Because purchasing power parities integrate exchange rates and price level indices (PLIs) into a single conversion factor, benefit amounts expressed in purchasing power parities can be used to directly compare the purchasing power of an amount in one country with that of another country. PPPs are computed for several economic aggregates. We use the PPPs computed for 'household final consumption expenditure' in order to

compare the purchasing power of benefits across countries. The following formula applies:

$$Benefit\ Amount\ in\ PPS = \frac{Amount\ in\ national\ currency}{PPP} = \frac{Amount\ in\ national\ currency}{exchange\ rate * PLI}$$

PPS are subject to several important limitations: First of all, purchasing power parities are always calculated for a single year and are relative to average prices for an average basket of goods and services in that year. As a result, amounts expressed in PPS cannot be compared cross-temporary: an amount expressed in PPS may vary from one year to another merely because price structures in other countries have changed, even if inflation has been zero and the benefit level remained unchanged in the country concerned. However, what can be compared across time is the ratio of the benefit levels of two countries in order to assess whether the purchasing power of both benefits has converged or diverged.

Second, price level indices and purchasing power parities are computed for an 'average' basket of goods and services, against average prices. Several methods for doing so are available. Some tend to over-estimate the price level in richer countries, some tend to over-estimate the price level in poorer countries. In addition – similar to the limitations of consumer price indices – the basket of goods and services may be more representative for some countries than for others. The same holds for within-country differences: consumption patterns may differ across household composition, income level, phase in the life cycle, etc.. This may be especially so for low income budgets. Furthermore, PPPs do not take account of within-country variations in price levels or cross-national differences in the quality of goods and services which are not fully reflected in price differences. A more elaborate discussion is provided in Milanovic (2005) and European Commission and OECD (2006). In spite of these shortcomings, the use of PPPs is highly recommended for comparing income / benefit levels across countries (Atkinson, Cantillon, Marlier, & Nolan, 2002; The Canberra Group, 2001).

### 4.3. Average gross wages

Average gross wages are a standard benchmark to set minimum income protection against. The CSB-MIPI time series were gathered from the national respondents, mostly drawing on national sources (see appendix). As usual with comparative databases on gross average wages, time series are not totally comparable between countries. Methodological issues arise, among others, in the definition of a full time worker and the treatment of bonuses and holiday payments. Instead of stipulating various guidelines for the time series on average gross wages, we asked the respondents to provide us with the most consistent series over time, leading to small differences in inclusion of groups (e.g. excluding civil servants in Austria vs. all employees in Italy) and treatment of part-time workers.

Of course, albeit the efforts to arrive at continuous time series, the CSB-MIPI data are not entirely free from time series breaks. The time series on gross average wages for Belgium and Luxembourg have a break in 2001, the series for Germany and Spain in 2002. For Poland, since 1999, social security contributions due by employees were introduced, and thus included in the gross amounts, leading to a break in series. Also the series for Estonia has a break in series for 1999. For IE, in 2007, there was discontinuity in the collection of data. The time series for Portugal has a break in 2009. In tables where the evolution is presented by indices like 1992=100 or 2001=100, countries with time series breaks sometimes have a later starting year (e.g. 2002=100).

It is important to note that we have tentatively compared the CSB-MIPI data on average wages with other data sources (ILO (2010), Eurostat (2010), OECD (2010), UNECE (2010)). We found that, apart from differences explicable by the breaks in series, our main conclusions are not obviously affected by the choice of series.

### 4.4. *Median net disposable household income*

Median or average net disposable household incomes can be estimated on the basis of survey data (ECHP / EU-SILC in particular). Compared to changes in average wages and GDP/capita, changes in the median equivalent net disposable household income come probably closest to our understanding of the 'average living standard in society'. As income concepts largely converge, it can offer a theoretically sound benchmark for the evaluation of the evolution of net disposable household income of households living on a minimum income benefit. Therefore, the limitations of the comparison are in first place restricted to those related to the measurement of the median equivalent net disposable household income. These limitations can be subdivided into two groups: those related to the measurement of income with surveys and those related to the computation of the median equivalent net disposable household income from the (cleaned) survey data.

The second group of 'limitations' relates in first place to the various assumptions with regard to the computation of equivalence scales (and the general neglect of differences in needs), the income definition and the assumption of full sharing of income within the household such that all household members can benefit from the same living standard. These issues have received ample attention in the literature (e.g. Atkinson et al., 2002; Burton, Phipps & Woolley, 2007; Deleeck, Van den Bosch & De Lathouwer, 1992).

Because estimates of the median disposable household income are based on surveys, also random and non-random errors should be taken into account (Goedemé, 2010; Verma, Betti & Gagliardi, 2010). The impact of non-random errors is difficult to assess. In contrast, random errors can be

assessed by the estimation of standard errors and confidence intervals. Figure 7 shows that the median net disposable household income is measured relatively precisely in most countries included in EU-SILC.

Time series on the median equivalised net disposable household income can be downloaded from the Eurostat website. Eurostat publishes on its website time series data on at-risk-of-poverty thresholds as well as on median equivalised household income. It is important to emphasise that significant changes to the underlying data have taken place over time. In addition, for 2001, the former contains data for more countries than the latter. As the poverty threshold is equal to 60 % of median equivalised net disposable household income, dividing the poverty threshold by 0.6 should result in the median equivalised net disposable household income. For the majority of countries, besides some rounding errors, the result of this calculation is indeed equal to the data on median equivalised household income published on the Eurostat website. However, for 3 countries, Germany, France and especially the Netherlands, the results vary considerably with the data on median equivalised household income. We have contacted Eurostat, and they have acknowledged the problem but they are not in a position to solve the problem. Nevertheless, the evolution of the poverty thresholds is fairly consistent with national sources on the evolution of median net household income in France (INSEE), the Netherlands (CBS) and Germany (SOEP).

Figure 7.    At-risk-of-poverty thresholds with bootstrapped 95% confidence intervals in euro, 2008 (incomes 2007)
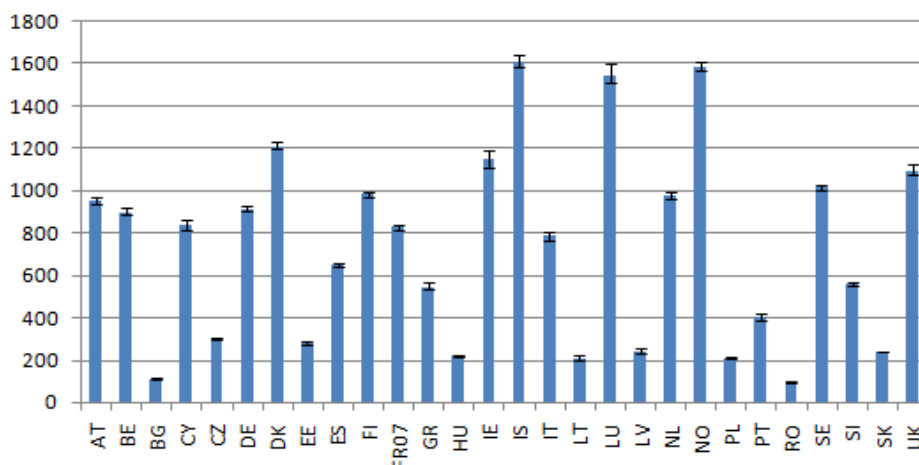


Note: income top-and bottom-coded using the LIS procedure. To the extent possible, sample design has been taken into account. Bootstrap with 1000 iterations, bias-corrected confidence intervals. German data for indicative purposes only, see Goedemé (2010) for more details.

Source: EU-SILC 2008 (FR: 2007), own calculations.

## 5. Comparison with other data sources

As mentioned earlier, there are several datasets on minimum income protection levels across the EU, apart from the CSB-MIPI-data. Other sources include the OECD's Benefits and Wages Series (OECD, 2010a), the SAmip-dataset produced by Nelson (Nelson, 2007, 2009, 2010), earlier CSB-studies (Cantillon, et al., 2004; Cantillon, Van Mechelen, & Schulte, 2008) and the data on child benefit packages from the University of York (Bradshaw & Mayhew, 2006). The various sources inevitably lead to different findings. Model family simulations require a series of detailed specifications, and a number of choices have to be made: choices about the selection of model families, choices about locality, choices about housing costs, etc. Choices strongly depend on the questions asked and the scientific rationale behind projects (e.g. intertemporal comparison vs. cross-country comparison of adequacy). Consequently, the various data sources build on different assumptions for legitimate reasons and fulfill complementary needs. Nevertheless, to the degree that the co-existence of the databases causes confusion, it is worth comparing the CSB-MIPI-dataset with other data sets on social assistance benefit levels. This section presents an initial validation of the CSB-MIPI-data based on the OECD's Benefits and Wages Series and the SaMip-dataset. The main aim is to explain as far as possible the differences that arise between the CSB-MIPI data and the other two datasets.

### 5.1. The OECD's Benefits and Wages-dataset[11]

The OECD Benefits and Wages Series contains estimates of the net disposable income of social assistance recipients since 2001 for the 29 OECD countries, plus – since 2005 – for the 8 EU Member states which are not affiliated to the OECD (for an online version of these data, see OECD, 2010a).

Figure 8 compares the OECD-dataset with the CSB-MIPI-data with regard to net social assistance benefit levels for a single person household. The definition of net disposable income is broadly similar in both databases (i.e. total cash benefits (including social assistance, child cash benefits and housing allowances) minus total taxes and social security contributions). There is only one minor difference due to the treatment of local property taxes (see below). The overall picture is that the CSB-MIPI-data are to a considerable extent consistent with the OECD-data. Both data sets rank Luxembourg among the countries with the most generous social assistance benefits, and Bulgaria, Romania, and Lithuania among the countries with rather low benefits. However, for a number of countries the two databases differ significantly. Social assistance benefits in

---

[11]     We are grateful to Herwig Immervoll for commenting on the CSB-MIPI-data presented at the FISS 17th International Research Seminar on Issues in Social Security, 16-18 June 2010, Sigtuna, Sweden.

Sweden, Finland, the Netherlands and the United Kingdom are much more generous according to the OECD than according to the CSB-study.

Differences can be easily explained by one or more of four technical reasons: (1) both databases refer to different points in time (2008 versus 2009), (2) the CSB-MIPI-database takes into account local property and other non-income taxes, whereas the OECD-database does not, (3) databases are based on differing choices of locality, and (4) on different assumptions about housing costs.

Figure 8. Net disposable income of a single-person household on social assistance in PPP (euro) (before and after housing benefits), CSB-MIPI- data (2009) and OECD-data (2008)*.
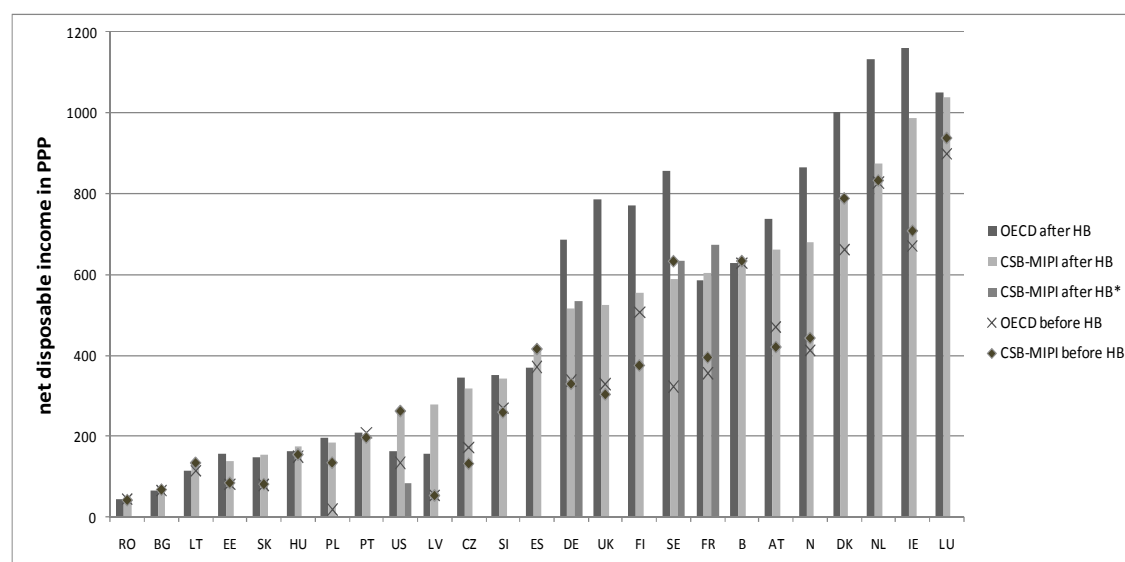


Notes: HB = housing benefits. DE: estimates drawing on higher housing costs, based on survey data on national average of highest acceptable housing costs in Germany, instead of a housing costs equal to 2/3 of median rent. FR: estimates including both centrally determined housing benefits and supplementary housing benefits provided by the local government in Paris, instead of alternative excluding Parisian benefits. SE: estimate drawing on average housing costs in Stockholm instead of 2/3 of median rent. US: estimate based on benefit levels in Texas (a so-called less generous state). The more generous CSB-MIPI estimate refers to Nebraska (a so-called generous state).*OECD-data for Denmark refer to 2007; CSB-MIPI after HB* refers to alternative estimates.

Source: Net disposable income: CSB-MIPI Version 1/2011, OECD (2010); PPP 2008 and 2009 from Eurostat online database (extracted on November 16, 2010); own calculations

### 5.1.1. Nominal changes between 2008-2009

There are slight differences between the CSB-MIPI-database and the OECD-data because of small nominal increases or decreases in assistance payments between 2008 and 2009 in many countries, including Belgium, Bulgaria, the Czech Republic, France, Hungary and Latvia (Source: MISSOC). In all of these countries the nominal change in gross benefits corresponds largely to the difference in net disposable income between the OECD data and CSB-MIPI data.

### 5.1.2. Local property and other non-income taxes

The CSB-MIPI-database takes account of local property and other non-income taxes, whereas the OECD-database does not. For most countries it makes almost no difference whether or not such taxes are included because they amount to less than 3% of the sum of the basic social assistance rate and the housing allowance for single person households. In Latvia, Portugal, Romania and the United Kingdom, local property and other non-income taxes are somewhat more substantial, although they are still below 7% of the sum of the basic social assistance rate and the housing allowance. The inclusion of local property and other non-income taxes leads to somewhat lower estimates in the CSB-MIPI-database, especially for Portugal.

### 5.1.3. Choice of locality

As far as Austria, Spain and the US are concerned, the differences between both databases are largely explained by differing choices of locality. The OECD-estimate for Austria is based on the average benefit rate in three provinces (Carinthia, Vienna and Upper Austria), whereas the CSB-MIPI-database is based on one single rate, that of Vienna. The Viennese basic social assistance rate is somewhat below the average rate in Austria. The CSB-MIPI-estimate for Spain is based on the social assistance rate prevailing in Catalunya, which is a bit above the rate prevailing in Madrid, which is used by the OECD. The OECD-data for the US refer to the situation in Michigan, whereas the CSB-MIPI data refer to the benefit levels in Nebraska and Texas, respectively commonly known as a more generous and a less generous state.

### 5.1.4. Estimation of housing costs

The OECD assumes that housing costs amount to 20 percent of the average wage (OECD, 2006). However, we have deviated from this assumption for two reasons: (1) for many countries the assumed rent seems to be very high and not to correspond to our aim to depict minimum income situations; (2) we wanted to base this assumption on empirical rent figures. For a number of countries, the OECD's estimate of housing costs is so high it leads to a negative net disposable income after housing costs for single-person households on social assistance. Table 14 serves to illustrate this point for a selection of countries. Currently, OECD reports include both social assistance benefit packages with and without housing benefits for this reason (see, for example, OECD, 2009). By comparing "zero-rent" and "high rent" scenarios, the OECD shows in which countries people in different housing situations will in fact get very different levels of support. This means that the estimates based on the OECD assumption with regard to housing costs are currently presented as maximum scenarios rather than typical social assistance benefit levels.

Table 14. Housing costs and net disposable income after housing costs of a single-person household on social assistance in PPP (euro), CSB-MIPI-data (2009) and OECD-data (2008).

| | CSB-MIPI | | OECD | |
|---|---|---|---|---|
| | Housing costs | Ndi after housing costs | Housing costs* | Ndi after housing costs |
| Estonia | 53 | 85 | 212 | -56 |
| Spain | 309 | 107 | 406 | -35 |
| Belgium | 237 | 396 | 596 | 32 |
| Germany | 185 | 330 | 665 | 20 |

Note: Housing costs = 20% of average wage (own calculations, based on average wage levels as presented in the country reports of Benefits and Wages series (OECD, 2010a))

Source: Net disposable income: CSB-MIPI Version 1/2011, (OECD, 2010a); PPP from Eurostat online database (extracted on November 16, 2010); own calculations

In the current study, we try to gauge the net disposable income of a typical or model social assistance recipient. Therefore, the CSB-MIPI-data assume that rental costs for low-income families amount to two thirds of the median rent paid by households in the respective country. Estimates of the median rent have been based on EU-SILC 2007, up rated with Eurostats Harmonized Indices of Consumer Prices for housing (actual rentals only; June 2009). As already mentioned, these estimates of rental costs were perceived as (very) low in a number of countries. The national experts for Sweden and Germany therefore provided us with additional estimates, based on average rental costs. Figure 8 shows that the latter estimates lie somewhat above the CSB-MIPI-estimates based on a housing cost equal to 2/3 of median rent (compare for both countries the level of the second and the third bar). However, they are substantially below the OECD's estimates which draw on a housing cost of 20% of average wage (first bar).

The implication of the difference in housing cost assumptions is relatively small in most countries, due to limits on the level of rental costs for which payments can be made through social assistance or the housing allowance scheme[12]. However, in a number of countries there is no limit, or limits are rather generous. This explains the significant differences between CSB-MIPI and OECD estimates in the case of Finland, Germany, Ireland, the Netherlands, Norway, Sweden, the UK and, though the difference is much less outspoken, Estonia. For these countries, the OECD-database produces much more generous social assistance benefit packages compared to the CSB-MIPI-database mainly because it draws on much larger housing costs and, consequently, on much more generous housing benefits. The markers (indicating the net disposable income in PPP before housing allowances) in Figure 8 indeed show that the OECD and CSB-MIPI

---

[12] For example, for Luxembourg, even the low housing costs, assumed by the CSB-MIPI database, entitle social assistance recipients to the maximal housing allowance. The difference between the OECD housing benefit and the CSB-MIPI housing benefit stems here from the fact that the OECD includes a heating allowance under the housing benefit variable for Luxembourg.

database arrive at fairly similar benefit packages for Estonia, Germany, Ireland, the Netherlands, and the United Kingdom, if housing benefits are not taken into account. The slight differences for Ireland, the Netherlands, Denmark and the UK can be explained by nominal changes in social assistance payments.

For Finland and Sweden, the OECD-data and the CSB-MIPI-database differ even before housing benefits are taken into account. In both countries compensations for housing related costs is (partly) provided as part of the general social assistance scheme. For Finland, both the CSB-MIPI data and the OECD data treat housing cost-related social assistance benefit as social assistance (20% of acceptable housing cost). The difference in social assistance before housing benefit is due to the different assumptions with respect to housing costs. In Sweden too, all rent is covered by a combination of social assistance and housing allowance. The MIPI national expert included the housing allowance for a single person household under social assistance whereas in the OECD data it is included under housing allowance.

Finally note that in the case of Denmark the OECD data assume that social assistance recipients receive a housing allowance while the CSB-MIPI data do not. The reason for not including a housing allowance is that the CSB-MIPI simulations are based on the maximum benefit level after 6 months of benefit dependency (see supra).

In conclusion, the CSB-MIPI-database differs from the OECD's Benefits and Wages series mainly because of differing choices of locality (Austria, Spain and the US) and differing assumptions with regard to housing costs. The latter lead to substantially lower estimates of benefit packages in our database, particularly for countries where housing benefits do not, or only very loosely, depend on upper rent limits. Consequently, the current study presents an even more pessimistic picture of the adequacy of social assistance benefit packages than the OECD in its Employment Outlook 2009. The reason is that whereas the current study attempts to present benefit levels of typical or modal social assistance recipients (though with varying degrees of success), the OECD estimates are based on the rental costs of households much higher up the rent distribution.

## 5.2. SaMip[13]

The SaMip database has been developed and compiled by Kenneth Nelson (Nelson, 2007, 2010) and includes time series data on net social assistance packages since early 1990s, for 25 countries. The main focus of the SaMip database is on cross-temporary evolutions rather than cross-sectional comparisons. Therefore, especially a comparison of the evolution in social assistance benefit levels as observed by the SaMip database and the CSB-MIPI database is of interest. Several important differences

---

[13]    We are grateful to Kenneth Nelson for commenting on an earlier version of this comparison.

between SaMip and CSB-MIPI exist. Apart from differences in assumptions which may directly affect differences between the model family simulations (see below), the method of data collection is different as well. Where the CSB-MIPI and OECD databases are constructed by relying on national experts, the SaMip database relies on information gathered by Nelson from both primary data sources and secondary data analysis. Whereas the latter approach may help to improve consistency, an international database for so many countries based on primary data collected by national experts may be more solid as long as the latter are guided by precise instructions. Both approaches have their strengths and weaknesses.

Table 15 compares both data sets with regard to the nominal evolution of gross benfit levels. It must be stressed that the comparability of both data sources is limited because: 1) the social assistance rates in SaMip already include income taxes and social contribution whereas CSB-MIPI data are gross social assistance rates before income taxes and social contributions; 2) CSB-MIPI database only provides the evolution of gross social assistance benefits for couples without children, while SaMip provides information on single-person households, lone parents, and two parent families; 3) SaMip focuses on general means-tested benefits, whereas the CSB-MIPI-database looks at social assistance schemes for the able-bodied For countries with categorical schemes for the able-bodied, both databases cover different programmes. This is, for example, the case in the UK, Ireland, Germany and Finland. However, this does not lead to major differences as benefit rates for the able-bodied and the non-able bodied are almost the same.

Table 15.  Evolution of gross social assistance rates, 1992-2000 and 2001-2009 (in percentage), CSB-MIPI data and SaMip data.

| Country | 1992-2001 (in %) | | 2001-2009 (in %) | |
|---|---|---|---|---|
| | SaMip (single)[a] | CSB-MIPI (couple-gross) | SaMip (single) | CSB-MIPI (couple-gross) |
| AT | 20 | 20 | 16 | 26 |
| B | 19 | 17 | 29 | 32 |
| CZ | n.a. | n.a. | -37 | -24 |
| DE | 13 | 12 | 23 | 30 |
| DK | 102 | 173 | 24 | 23 |
| EE | n.a. | n.a. | 100 | 100 |
| ES | 22 | 31 | 28 | 37 |
| FI | 12 | 9 | 15 | 15 |
| FR | 23 | 19 | 14 | 14 |
| HU | 220 | n.a. | 100[b] | n.a. |
| IE | 53 | 59 | 91 | 91 |
| IT | 43 | 53 | 47 | n.a. |
| LU | 53 | 71 | 30 | 28 |
| N | 80 | n.a. | 12 | n.a. |
| NL | 28 | 29 | 21 | 22 |
| PL | n.a. | n.a. | 7 | n.a. |
| PT | n.a. | n.a. | 43 | 43 |
| SE | -2 | 6 | 18 | 24 |
| SI | n.a. | 420 | n.a. | 96 |
| SK | n.a. | n.a. | 5 | n.a. |
| UK | 25 | 25 | 21 | 21 |
| US | -71 | n.a. | 27 | 26/7/57[c] |

Notes: [a]Based on the SaMip variable 'X3 SAsi'; [b]evolution 2001-2008; [c]CSB-MIPI data for the US refer to respectively the gross benefit levels in the states of Nebraska, New Jersey and Texas.

Source: SaMip Version 2.5 Beta (Nelson, 2007 & 2010); CSB-MIPI version 1/2011; own calculations

Despite these differences, for most countries the evolution of social assistance rates is fairly similar in both databases. Main differences are explained by:

### 5.2.1. Income taxes and social contributions

The fact that SaMip takes into account income taxes and social contributions does not cause major differences between the SaMip-data and the CSB-MIPI data, given that in most countries social assistance benefits are exempted from taxation and social contributions. The main exceptions are Denmark and – to a lesser degree – Finland, Luxembourg and the Netherlands. Since the tax reforms of 1994, benefits in Denmark are taxed in roughly the same way as income from work. These reforms

coincided with a significant increase in gross benefit amounts. As a result, the CSB-MIPI data display an increase in gross benefit levels, whereas SaMip data discount the increase in the tax level in 1994.

## 5.2.2. Choice of locality

The choice of locality largely explains the differences for countries where social assistance benefit levels are determined at the local or regional level, such as Austria, Spain, Germany, Norway and the US. The CSB-MIPI-estimate for Spain is based on the social assistance rate prevailing in Catalunya, which is a bit above the rate prevailing in Madrid, which is used by the SaMip. Until 2005, Germany did not have uniform national social assistance rates. The SaMip-data show the evolution of the unweigthed average level of social assistance guaranteed by the Länder, whereas the CSB-MIPI-database is based on a weighted average (weighted by population size of the regions). The CSB-MIPI data for Norway are based on the benefit levels in Oslo, whereas SaMip uses the national average of benefit levels. The CSB-MIPI data for the US refer to Nebraska, New Jersey and Texas, whereas the SaMip data refer to the situation in Michigan. As far as Austria is concerned, the benefit scale rates in both databases reflect those in Vienna.

## 5.2.3. Different points in time

Both datasets sometimes provide data for different points in time. The CSB-MIPI dataset provides simulations for the situation on fixed dates[14]. The SaMip documentation does not explicitly state to which date the data refer. By comparing SaMip to MISSOC and other sources, we found that a different choice of date is an important factor that explains the differences between CSB-MIPI and SaMip for Austria, Luxembourg and Belgium.

## 5.2.4. Interpolations and estimations versus actual figures

The SaMip data are sometimes based on interpolations or estimations based on the yearly benefit increases during a past period. For example, in SaMip the council tax in the UK is estimated at 1.5 times the monthly rent per year, whereas, according to the simulations of our respondent, this tax rate more than doubled since 2001[15]. The evolution of social assistance rates in Italy (Milan[16]) also heavily relies on both interpolations and estimations. It is likely that this explains the difference between

---

[14]  May 1992; June 2001 and June 2009.
[15]  Council Tax rate applied in York for the CSB-MIPI simulations, no information on locality for the UK in SaMip.
[16]  Both datasets are based on estimates of actual (rather than formal) benefit rates prevailing in Milan.

SaMip and CSB-MIPI in the evolution of Italian social assistance rates, as according to the SaMip documentation levels for Italy are based on our data gathered in 2003. It should be noted that Italy is particularly difficult in a study of social assistance not only because of the interregional differences but also because the difference that often exists between formal benefit rates and the benefit amounts that social assistance beneficiaries actually receive.

### 5.2.5. Supplementary benefits

For a limited set of countries, the social assistance rates in the SaMip-database includes supplementary payments. For example, for Germany (as in Luxembourg since 2002), SaMip-rates include the heating supplement provided in addition to the standard social assistance rates. For Sweden, social assistance rates include additional benefits for electricity and housing insurance. Nelson has included add-ons to social assistance, like heating electricity and home insurance, if they are paid more or less on a regularly basis and if data are available.

## 6. Conclusions

The main purpose of the CSB-MIPI dataset is to form a new basis for comparative research in (the evolution) of minimum income protection. The CSB-MIPI dataset provides data on the three main pillars of minimum income protection (minimum wages, social assistance for working age households and guaranteed pensions) for 27 countries. This dataset contains information on long-term trends in the level of both gross and net benefit levels. Moreover, it addresses the conditionality of social assistance benefits, the associated rights and in-kind benefits and the impact of the financial and economic crisis on minimum income protection policy.

Although we have good reasons to be confident in the quality of the CSB-MIPI data, this study reveals a number of challenges that warrant a more in-depth analysis in the future in order to get a more complete view on minimum income protection in the EU. An important issue is how to deal with associated rights for low-income families when comparing benefit levels. Our data show that the degree to which social assistance recipients receive discretionary and non-discretionary in-kind benefits and other associated rights varies considerably across countries. However, this variation is usually not taken into account in comparisons of net benefit levels. Another issue is the estimation and treatment of housing costs for low-income households. Recent databases on minimum income protection build on very different housing costs assumptions. As we have argued, none of these approaches has proven to be fully satisfactory. It is clear that the housing situation of low income families remains one of the main challenges for further research on minimum income protection in the EU.

Thirdly, we believe that our understanding of minimum income protection systems accros the EU can be considerably improved by an extension of the number of model families. Future research should not only focus on households that are typical in the 'old' EU member states but also include family types that are quite common in the 'new' member states: e.g. owner-occupiers or persons of working age living together with their elderly parents. In addition, situations in which households have some forms of income could also be included in order to gain more insight into variations in means tests. Finally, the current CSB-MIPI data constitute only a first attempt of the CSB at gauging the conditionality of social assistance benefits. We need more systematic and comprehensive information on activity requirements, activation programmes, sanctions aspects, etc. More generally, we remain largely in the dark as to institutional features of social assistance programmes that exclude the poor from help. For example, there is only little empirical data available regarding cross-country differences in the stringency and operation of the means-test. There clearly remains an important research agenda here.

# Appendix

# Appendix A.  Data gathering

## A.  National experts

Table 1.    List of national experts

| Austria | FUCHS | Michael | European Centre for Social Welfare Policy and Research, Wien |
|---|---|---|---|
| | STANZL | Peter | City of Vienna |
| Belgium | VAN MECHELEN | Natascha | Herman Deleeck Centre for Social Policy (CSB), University of Antwerp |
| | VOGELS | Jonas | |
| | MARCHAL | Sarah | |
| Bulgaria | BOSHNAKOV | Venelin | University of National and World Economy, Sofia |
| | DRAGANOV | Dragomir | Senior Expert Policies and Strategies (Directorate), Ministry of Labour and Social Policy |
| Czech Republic | MUNICH | Daniel | Center for Economic Research and Graduate Education - Economic Institute (CERGE-EI), Prague |
| | PAVEL | Jan | |
| Denmark | ABRAHAMSON | Peter | University of Copenhagen |
| Estonia | VÕRK | Andres | University of Tartu / Praxis Center for Policy Studies |
| Finland | KANGAS | Olli | Kela, Helsinki |
| | HAATAJA | Anita | |
| France | MATH | Antoine | Institut de Recherches Economiques et Sociales (IRES), Paris |
| Germany | BAHLE | Thomas | Mannheimer Zentrum für Europäische Sozialforschung (MZES) |
| | HUBL | Vanessa | Mannheimer Zentrum für Europäische Sozialforschung (MZES) |
| Greece | MATSAGANIS | Manos | Athens University of Economics and Business |
| Hungary | SZIVÓS | Péter | Tárki, Budapest |
| Italy | KAZEPOV | Yuri | University of Urbino |
| | SABATINELLI | Stefania | University of Milan-Bicocca |
| | ARLOTTI | Marco | University of Brescia |
| Ireland | MAITRE | Bertrand | The Economic and Social Research Institute (ESRI), Dublin |
| Latvia | VANAGS | Alf | Baltic International Center for Economic Policy Studies (BICEPS), Riga |
| | VASILJEVA | Kristine | Baltic International Center for Economic Policy Studies (BICEPS), Riga |
| Lithuania | SALANAUSKAITE | Lina | Maastricht University / Herman Deleeck Centre for Social Policy (CSB), University of Antwerp |
| | LAZUTKA | Romas | Vilnius University |
| Luxembourg | BERGER | Frédéric | Centre d'Etudes de Populations, de Pauvreté et de Politiques Socio-Economiques (CEPS), Differdange |
| Netherlands | GOUDSWAARD | Kees | Leiden University |
| | VAN VLIET | Olaf | |
| Norway | WEST PEDERSEN | Axel | NOVA, Oslo |
| | KOREN | Charlotte | NOVA, Oslo |
| Poland | PIETKA-KOSINSKA | Katarzyna | Center for Social and Economic Research (CASE), Warsaw |

Table 1.        List of national experts – continued

| | | | |
|---|---|---|---|
| **Portugal** | BAPTISTA | Isabel | Centro de Estudos para a Intervenção Social (CESIS), Lisboa |
| | BRÁZIA | Ana | Centro de Estudos para a Intervenção Social (CESIS), Lisboa |
| **Romania** | RAT | Cristina | Sociology Department, "Babes-Bolyai" University Cluj-Napoca |
| **Slovakia** | GERBERY | Daniel | Institute for Labour and Familiy Research, Bratislava |
| **Slovenia** | KUMP | Natasa | Institute for Economic Research (IER), Ljubljana |
| **Spain** | AIGUABELLA | Joaquim | Gabinet d'Estudis Socials SCCL, Barcelona |
| | LEOTTI | Paolo | |
| **Sweden** | NELSON | Kenneth | Institute For Future Studies / Swedish Institute for Social Research (SOFI), Stockholm |
| **UK** | BRADSHAW | Jonathan | Social Policy Research Unit (SPRU) / University of York |
| **US** | STOKER | Robert | Trachtenberg school of public policy and public administration |

# B.    Instructions for national experts

## B.1    Questionnaire Wave 1

INTRODUCTION
It is the purpose of this project to gather systematic information
- on trends in the level of minimum benefits in the nineties in European countries
- on the legal/institutional mechanisms which affect or adjust benefit levels in a systematic way (e.g. to price or wage changes) in European countries.

The underlying research objectives are to check
- to which extent the living standard provided by minimum income protection schemes has kept up with the evolution of the cost of living and the overall living standard.
- to which extent periodical increases of the living standard provided by minimum income protection schemes are guaranteed by institutional mechanisms.

We focus on three principal pillars of minimum income protection: minimum wages, social assistance and guaranteed pensions. We consider both gross family incomes and net incomes. The net family incomes of beneficiaries from minimum income schemes are to be obtained from model family simulations.

INFORMATION

In the text below, we give you a full explanation of the information we need. Here follows a short overview:

**1. Simulations 1992 and 2001**
We would like to ascertain the evolution between 1992 and 2001 of the net income of persons benefiting from minimum income protection schemes. In the text below, we provide a set of assumptions for the simulations and directions on choosing supplementary assumptions. Please mention in the text any supplementary assumption you deem necessary (see 4.Questionnaire). The results of the simulations should be entered in the data matrices we have prepared in Excel.

Note that much of the requested information can be copied from the matrices prepared for the comparative study of child benefit packages by J. Bradshaw and N. Finch. These and accompanying country reports can be downloaded from http://www.york.ac.uk/inst/spru/research/summs/childben22.htm.

**2. Time series gross amounts**
The simulations for 1992 and 2001 reflect the evolution of *net* minimum income. In addition to the net evolution we would like to have the long-term evolution of the *gross* amounts of minimum income protection. We ourselves were able to reproduce the evolution of gross minimum income in Belgium from 1975 onwards. We kindly ask you to make for your country a time series as long as possible (see also Excel-file).

**3. Comment**
We would like to have a brief comment on the evolution of the net and gross amounts of minimum income protection, in particular on whether they have kept up with the cost of living and the overall living standard. With respect to the net amounts we only need a comparison of the simulation results of 1992 and 2001 (more years are optional). About the gross amount we would like a comment on the long term evolution on a one-year basis. Just for your own convenience we kindly ask you to make graphics. For illustration we have included figures of the evolution of the minimum wage and social assistance in Belgium.

**4. Questionnaire**
Finally we would like you to fill in a short questionnaire.


1. SIMULATIONS: ASSUMPTIONS

**Income cases:**
Case 1:      two-earner family, both adults working full time, national average male earnings + national average female earnings
Case 2:      one-earner family, one adult working full time, national average male earnings
Case 3:      one-earner family, one adult working full time, minimum wage
Case 4:      family receiving minimum income working age persons
Case 5:      family receiving minimum income elderly

These cases are designed to cover the principal pillars of minimum income protection (case 1 and 2 are reference cases). We leave it up to the national informants to select the benefit programs that are considered most crucial in the delivery of minimum income protection given the assumptions.

In cases 1, 2, 3 and 4 the person receiving a wage or benefit is 35 years old, in case 5 he or she has the minimum age to be entitled to a full pension benefit.

*Case 1* refers to the same income situation as case 7 in Bradshaw's 2001 data matrices, *case 2* refers to Bradshaw's case 4 (national average earnings for male/female employees working full time). If no national minimum wage exists, it may be possible to use the minimum wage for an activity sector with low wages for *case 3*. If even this does not exist, use 50% of the average male earnings for income *case 3* (cfr. case 2 in Bradshaw's 2001 matrices). The person in *case 4* is a person receiving social assistance (case 8 in Bradshaw's 2001 matrices). The person in *case 5* receives a guaranteed income for elderly, this means a benefit for older people without sufficient resources (independent of his/her working career; means-tested or not).

**Family types:**
Case A: single
Case B: couple
Case C: couple with 2 children
Case D: lone parent with 2 children
OPTIONAL: Case E: couple with 3 children

Couples are married. The lone parent is divorced[1]. The children are assumed 7 and 14 years old, undertaking full time education.
*Case E:* Some countries have substantial benefits for families with 3 or more children. Given our budget is limited, we will not ask all countries to make simulations for a couple with 3 children (7, 14 and 17 years). However countries which would like to stress the importance of benefits for large families are welcome to make additional simulations for this family type.
Income case 1 is not possible for family types A and D. Income case 5 does not have to be simulated for family types C, D and E.

**Income elements:**
   1. gross earnings
   2. income tax payable
   3. employee social security contributions
   4. net local taxes (include additional charges for water, sewerage or garbage collection)
   5. cash child benefit
All income elements have to be expressed as monthly amounts (yearly amount divided by 12). It concerns unstandardised incomes.

---

1   We define a lone parent in accordance with Bradshaw: a mother or a father living without a spouse (and not cohabiting) with his of her never-married dependent children.

In some countries the gross earnings of income *cases 4 and 5* depend on *housing costs*. Therefore we have calculated the mean rent (excluding other housing costs) for 4 family types in a number of countries on the basis of European Community Household Panel-data (table 1). We excluded households with a self-employed head of the family or a rent less than 10 euro. For the micro-simulation <u>we will assume that a household receiving social assistance pays a rent of 2/3 of the average rent</u> of a similar family type. These data concern rents paid in 1999. If these amounts seem realistic for your country, please adjust them in terms of purchasing power to rents for 1992 and 2001. If these amounts does not seem realistic, or if the ECHP-data do not contain average rents in 1999 for your country, are there any national data on average rents?

These estimations of rents only have to be used by countries where allowances for housing costs are an integrated part of social assistance or a right of all persons receiving social assistance. In these countries this allowance has to be included in the *gross earnings* of families receiving social assistence. Please describe the calculation of the gross earnings very precisely in the questionnaire (see part 4).

Table 1    Mean rent (excluding other housing costs) in 1999 for 4 family types (in euro's)

|  | Single without children | Couple without children | Couple with 2 children | Lone parent with children |
|---|---|---|---|---|
| Austria | 268 | 290 | 442 | 417 |
| Belgium | 279 | 335 | 338 | 285 |
| Denmark | 401 | 543 | 626 | 552 |
| Finland | 279 | 373 | 511 | 439 |
| France | 331 | 388 | 455 | 404 |
| Germany | 355 | 445 | 511 | 414 |
| Greece | 211 | 224 | 253 | 269 |
| Ireland | 144 | 201 | 129 | 158 |
| Italy | 204 | 234 | 247 | 222 |
| Luxembourg |  |  |  |  |
| Netherlands | 273 | 335 | 367 | 306 |
| Norway |  |  |  |  |
| Portugal | 54 | 86 | 119 | 108 |
| Spain | 210 | 193 | 193 | 236 |
| Sweden |  |  |  |  |
| UK | 307 | 359 | 350 | 355 |

Source: ECHP

REMARK: SOURCES AND ASSUMPTIONS

The following table illustrates that it is crucial to choose the sources and assumptions for your calculations with some caution. The purpose of this project is to examine the evolution of the proportion of the minimum schemes to the average earnings. The table compares the net disposable income of a family depending on social assistance to that of a one-earner family with one average income on the basis of the Bradshaw matrices. In some cases the proportion case8/case4 appears to be extremely high (e.g. Denmark) or extremely low (e.g. Greece, Spain, France). We would like you to consider whether the information in table 1 is representative for your country. While choosing the data for the matrices (the gross minimum and average earnings, the taxes, the net disposable income), please note that we are particularly interested in the proportion of the minimum schemes to the average earnings.
Furthermore, please give preference to :
- assumptions that best ensure comparability between 1992 and 2001;
- assumptions that best depict *minimum* income situations.

Table 2 Gross earnings, taxes and net disposable income (NDI) of a couple with two children (July 2001; national currency)

| | Case 4: One earner - national average male earnings | | | Case 8: No earnings - social assistance | | | Case 8 / case 4 |
|---|---|---|---|---|---|---|---|
| | Gross earnings | Income tax, local tax and social security contributions | NDI after taxes, contributions and child benefits | Gross earnings | Income tax, local tax and social security contributions | NDI after taxes, contributions and child benefits | NDI |
| Austria | 37.181 | -11.725 | 30.181 | 14.852 | 0 | 19.577 | 65% |
| Belgium | 103.303 | -32.232 | 80.342 | 29.015 | -338 | 41.753 | 52% |
| Denmark | 25.750 | -9.770 | 17.413 | 20.490 | -6.079 | 15.844 | 91% |
| Finland | 14.031 | -4.614 | 10.609 | 5.254 | 0 | 6.446 | 61% |
| France | 15.362 | -3.905 | 12.422 | 4.004 | -424 | 4.545 | 37% |
| Germany | 5.589 | -1.600 | 3.990 | 1.172 | 0 | 1.712 | 43% |
| Greece | 345.000 | -58.600 | 308.400 | 0 | -1.500 | 20.500 | 7% |
| Ireland | 1.790 | -189 | 1.736 | 856 | -8 | 983 | 57% |
| Italy | 3.624.899 | -933.961 | 2.924.938 | 1.300.000 | -28.593 | 1.271.407 | 43% |
| Luxembourg | 126.000 | -16.762 | 125.708 | 62.357 | -3.431 | 75.396 | 60% |
| Netherlands | 6.233 | -2.041 | 4.535 | 2.353 | -135 | 2.561 | 56% |
| Norway | 23.658 | -6.185 | 19.417 | 10.717 | 0 | 12.661 | 65% |
| Portugal | 173.363 | -30.339 | 149.764 | 78.750 | 0 | 88.670 | 59% |
| Spain | 277.073 | -30.598 | 246.475 | 63.454 | -2.669 | 68.855 | 28% |
| Sweden | 24.551 | -8.248 | 18.203 | 10.314 | 0 | 12.214 | 67% |
| UK | 2.086 | -552 | 1.646 | 584 | -15 | 681 | 41% |

Source: http://www.york.ac.uk/inst/spru/research/summs/childben22.htm.

## 2. TIME SERIES OF GROSS AMOUNTS

We kindly ask you to make for your country a time series (ideally one-year intervals) as long as possible with respect to:
- Gross average wage
- Gross minimum wage
- Gross guaranteed minimum income for working age persons
- Gross guaranteed minimum income for older people
- National income per capita
- Inflation rate

## 3. COMMENT

Please give a brief comment on the evolution of the net and gross amounts of minimum income protection by means of following figures:

Figure 1. Evolution of gross minimum wage; purchasing power, as % of NI/capita, as % of gross average wage (full time equivalent)

Figure 2. Evolution of the purchasing power of net minimum wage by family type (1992 and 2001 only)

Figure 3. Evolution of net minimum wage as % of net average wage by family type (1992 and 2001 only)

Figure 4. Evolution of gross minimum income of a working age couple; purchasing power, as % of NI/capita, as % of gross average wage (full time equivalent)

Figure 5. Evolution of the purchasing power of net minimum income for working age persons by family type (1992 and 2001 only)

Figure 6. Evolution of net minimum income for working age persons as % of net average wage by family type (1992 and 2001 only)

Figure 7. Evolution of gross minimum income for an older couple; purchasing power, as % of NI/capita, as % of gross average wage (full time equivalent)

Figure 8. Evolution of the purchasing power of net minimum income for elderly by family type (1992 and 2001 only)

Figure 9. Evolution of net minimum income for elderly as % of net average wage by family type (1992 and 2001 only)

We are mainly interested in the reasons why minimum wage/benefit schemes follow (or not follow) the evolution of prices (e.g. by periodical indexation) or even the overall living standard (e.g. by adjustments to wage evolution).

Comment on figure 1:
Comment on figure 2:
Comment on figure 3:
Comment on figure 4:
Comment on figure 5:
Comment on figure 6:
Comment on figure 7:
Comment on figure 8:
Comment on figure 9:


4. QUESTIONNAIRE

1.  -What were the assumed mean gross **average earnings** per month for male full time employees? Please mention the source.

In May 1992:
In July 2001:


2.  -Did your country have some form of **minimum wage**?

In May 1992:
In July 2001:

-What is the official label of the minimum wage that you chose for income case 3?

In May 1992:
In July 2001:

-Which assumptions did you need to make in order to fill in the matrix for income case 3?
(both from the assumptions we provided and other assumptions)

In May 1992:
In July 2001:


3.  -Did your country have some form of **guaranteed minimum income for working age persons** without sufficient resources?

In May 1992:
In July 2001:

-What is the official label of the benefit that you chose for income case 4?

In May 1992:
In July 2001:

    -Which assumptions did you need to make in order to fill in the matrix for income case 4?
    (both from the assumptions we provided and other assumptions)

In May 1992:
In July 2001:

    -People receiving social assistance, are they entitled to supplementary benefits (e.g. housing benefits)? Please mention the amount of each benefit for each family type.

In May 1992:
In July 2001:

    4. -Did your country have some form of **guaranteed minimum income for older people** without sufficient resources?

In May 1992:
In July 2001:

    -What is the official label of the guaranteed pension benefit that you chose for income case 5?

In May 1992:
In July 2001:

    -Which assumptions did you need to make in order to fill in the matrix for income case 5?
    (both from the assumptions we provided and other assumptions)

In May 1992:
In July 2001:

    -People receiving a guaranteed minimum income for elderly, are they entitled to supplementary benefits (e.g. housing benefits)? Please mention the amount of each benefit for each family type.

In May 1992:
In July 2001:

    5. -Did any **tax** allowance or credits exist for the income cases or family types used in the data matrices? If so, what are they called and who qualifies?

In May 1992:
In July 2001:

    -Please mention the assumptions you made as to income tax when filling in the matrix.

In May 1992:
In July 2001:

    6. -Were any of the family types used in the matrices exempt from **national insurance contributions** (social security/ health insurance)?

In May 1992:
In July 2001:

-Please mention the assumptions you made as to national insurance contributions when filling in the matrix.

In May 1992:
In July 2001:

7.  -Please mention the assumptions you made as to **local taxation** when filling in the matrix (e.g. region and housing type).

In May 1992:
In July 2001:

8.  -What is the official label of the **child benefit** that you chose to fill in the matrix?

In May 1992:
In July 2001:

-Which assumptions did you need to make in order to fill in child benefit amounts in the matrix? (both from the assumptions we provided and other assumptions)

In May 1992:
In July 2001:

## B.2    Questionnaire Wave 2

**General information**

INTRODUCTION

This research is a follow-up to an earlier CSP study on the evolution of minimum income protection in 15 European countries between 1992 and 2001. We focus on the three principal pillars of minimum income protection: minimum wages, social assistance for working age households and guaranteed pensions.

It is the purpose of this project to gather systematic information
- on the cross-country variation in minimum income protection in the enlarged European Union in June 2009 (June 30)
- on the long-term trends in the level of minimum benefits in European countries (since 1992)
- on the conditionality of social assistance benefits in European countries in June 2009 (activity requirements, range of activation programmes, sanctions, etc.)
- on the impact of the financial and economic crisis on the short-term evolution of both the level and conditionality of minimum income protection in the European countries

The underlying research objectives are to check
- to which extent the living standard provided by minimum income protection schemes has kept up with the evolution of the cost of living and the overall living standard.
- why some countries do succeed in combining high minimum income protection levels with high self-sufficiency (employment/ outflow from dependency) levels. Is this because of harsher sanctions, or is it because of better enabling policies?

OVERVIEW OF THE PROJECT

In the text below, we give you a full explanation of the information we need. Here follows a short overview:

**1. Model family simulations (net incomes) June 2009**

We would like to ascertain the evolution between 1992 and 2009 of the net income of persons benefiting from minimum income protection schemes. We are asking you to complete the data matrices we have prepared in Excel and which already contain the results for 1992 and 2001. The 1992 and 2001 results are drawn from an earlier CSP study on the evolution of minimum income protection.

**2. Time series gross amounts 2000-2009**

The simulations for 1992, 2001 and 2009 reflect the evolution of *net* minimum income. In addition to the net evolution we would like to have the long-term evolution of the *gross* amounts of minimum income protection. The Excel-file in attachment includes time series data from our previous research that run until 2001. We kindly ask you to complete this time series until 2009.

**3. Questionnaire**

**A. Explanation and discussion of simulations June 2009**

The first part of the questionnaire provides opportunity to explain the model family simulations: the official label of the benefit schemes used, additional assumptions, sources, etc. In addition, we ask you to record the number of benefit recipients and to discuss the 2001-2009 evolution of the net disposable income of minimum income recipients. More in particular, we would like to know whether minimum income schemes have merely been up rated in line with the statutory adjustment mechanism, or whether there have been major policy changes that may have affected the net disposable income of minimum income recipients.

**B. Questionnaire on conditionality**

The second part of the questionnaire deals with the conditionality of social assistance benefits for able-bodied persons. The purpose of this part is to investigate the extent to which social assistance beneficiaries are encouraged and assisted to self-reliance and improvement of their earnings capacity. More in particular, we would like to gauge your country's approach to activation: is it a typical workfare regime with strong coercive and enforcing elements relating to work participation or does it contain predominantly enabling characteristics like training and counselling.

**C. Questionnaire on impact of financial and economic crisis**

In addition we will need a description of the main policy measures taken in the field of minimum income protection since the outbreak of the financial crisis. We would like to capture how governments are adapting minimum income protection policies in order to respond to the economic recession.

**The Evolution of Minimum Income Protection in the EU**

**Model family simulations and time series gross amounts: Instructions**

1. SIMULATIONS: ASSUMPTIONS

In the text below, we provide a set of assumptions for the simulations and directions on choosing supplementary assumptions. Please mention in the questionnaire any supplementary assumption you deem necessary (see 3.Questionnaire). If you feel that the assumptions are unrealistic, please notify Jonas Vogels at Jonas.Vogels@ua.ac.be.

Where benefits vary by region within a country (e.g. Austria and Spain), please choose a location and identify the selected region in the questionnaire. As far as municipal responsibilities are concerned (e.g. local property or other non-income related taxes), we would like you to choose the same locality as for the 1992 and 2001 data, just for comparability reasons (see appendix 1). If your country was not included in the previous study, we ask you to select the capital or another major city.

**Income cases:**

Case 1: two-earner family, both adults working full time, national average male earnings + national average female earnings[2]

Case 2: one-earner family, one adult working full time, national average male earnings[2]

Case 3: one-earner family, one adult working full time, minimum wage (or 50% of the average male earnings)

Case 4: family receiving social assistance for working age persons

Case 5: family receiving minimum income guarantee for elderly

In cases 1, 2, 3 and 4 the person receiving a wage or benefit is 35 years old, in case 5 he or she has the minimum age to be entitled to a full pension benefit. Whereas cases 1 and 2 are reference cases, cases 3 to 5 are designed to cover the principal pillars of minimum income protection.

As far as *case 3* is concerned, if no national minimum wage exists, it may be possible to use the minimum wage for an activity sector with low wages. If even this does not exist, use 50% of the average male earnings for income case 3.

The person in *case 4* is an able-bodied person receiving social assistance. The main benefit programmes that we think are appropriate for case 4 are summarised in a table in appendix 2 to the questionnaire. Please note, we wish to be able to link net disposable income of case 4 to the conditionality part of the questionnaire (part B).

The person in *case 5* receives a guaranteed income for elderly, this means a benefit for older people without sufficient resources (independent of his/her working career; means-tested or not). We leave it up to the national informants to select the benefit programmes that are considered most crucial in the delivery of minimum income protection given the assumptions.

---

[2]    Average earnings from employment.

**Family types:**

Case A: single
Case B: couple
Case C: couple with 2 children (7 and 14 years)
Case D: lone parent with 2 children (7 and 14 years)
Case E: lone parent with 1 child (2 years)

Couples are married. The lone parent is divorced[3]. In cases C and D, the children are assumed 7 and 14 years old, undertaking full time education. In case E, the child is assumed 2 years old and being in child care services.

Income case 1 is not possible for family types A, D and E. Income case 5 does not have to be simulated for family types C, D and E.

**Income elements and expenses:**
1. gross income
2. housing allowance
3. income tax payable
4. employee social security contributions
5. local property or other non-income taxes
6. child cash benefit
    - universal child cash benefit
    - means-tested child cash benefit
7. child care costs

All income elements have to be expressed as monthly amounts (yearly amount divided by 12). It concerns unstandardised incomes.
We ask you to select the June 30 date (2009).
- *Gross income*

Gross income includes gross earnings as well as the basic social assistance rate covering basic living costs and the minimum income guarantee for elderly.
- *Housing allowance.*

Housing allowances usually depend on *housing costs*. We will assume that low-income households pay a rent of 2/3 of the median rent. Therefore we have calculated the median rent (excluding other housing costs; excluding households with zero rents) for several types of dwelling on the basis of SILC. Please select in table 2 the most prevalent form of dwelling for low-income families in your country (private or social rented). The size of the dwelling is assumed to vary by household composition (see table 1). For a number of countries, table 2 does not distinguish between private or social rented dwellings and/or rents do not vary by household composition because the number of cases is too small. Table 3 shows the number of observations in each cell. In table 2, amounts have been adjusted to 2009 prices using Eurostats Harmonized Indices of Consumer Prices for housing (actual rentals only; June 2009). Please notify us if these amounts do not seem realistic and if you would prefer to use national data on average or median rents.

---

[3]  A lone parent: a mother or a father living without a spouse (and not cohabiting) with his of her never-married dependent children.

Table 1  Household composition and size of dwelling

| Family Types | Number of bedrooms |
|---|---|
| Case A: single | 1 |
| Case B: couple | 1 |
| Case C: couple + 2 children | 3 |
| Case D: lone parent + 2 children | 3 |
| Case E: lone parent + 1 child | 2 |

Table 2  Two third of monthly median rent (excluding other housing costs) for several types of dwellings, in national currency, prices June 2009

| country | Private Rented | | | Social Rented | | | Private and social rented |
|---|---|---|---|---|---|---|---|
| | 1 bedroom | 2 bedrooms | 3 bedrooms | 1 bedroom | 2 bedrooms | 3 bedrooms | |
| Austria | 218 | 283 | 331 | 176 | 219 | 239 | |
| Belgium | 270 | 312 | 312 | 160 | 175 | 182 | |
| Bulgaria | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | |
| Czech R. | 3.456 | 3.456 | 3.059 | 2.419 | 2.906 | 3.377 | |
| Denmark* | 2.335 | 2.830 | 3.062 | 2.335 | 2.830 | 3.062 | |
| Estonia | | 623 | | | 208 | | |
| Finland | 284 | 323 | 376 | 275 | 321 | 410 | |
| France | 265 | 261 | 293 | 203 | 218 | 267 | |
| Germany | 197 | 238 | 296 | 170 | 207 | 238 | |
| Greece | 201 | 244 | 287 | | 154 | | |
| Hungary | | 21.908 | | | 6.573 | | |
| Ireland | | 454 | | 64 | 87 | 104 | |
| Italy | 235 | 255 | 268 | 85 | 106 | 89 | |
| Latvia | | 21 | | | 8 | | |
| Lithuania | | | | | | | 123 |
| Luxembourg | 439 | 474 | 509 | | 455 | | |
| Netherlands* | 250 | 287 | 294 | 250 | 287 | 294 | |
| Norway | 2.845 | 3.201 | 3.485 | | 2.489 | | |
| Poland | 216 | 273 | n.a. | | 144 | | |
| Portugal | 112 | 106 | 124 | 53 | 42 | 45 | |
| Romania | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | |
| Slovakia | 597 | 597 | 644 | n.a. | n.a. | n.a. | |
| Slovenia | 95 | 106 | na | | 73 | | |
| Spain | 301 | 287 | 301 | | 95 | | |
| Sweden | 2.996 | 3.611 | 4.274 | | 3.343 | | |
| UK | 298 | 333 | 333 | 182 | 191 | 210 | |

n.a. = no data available

* The SILC data do not allow to distinguish between private rented and social rented dwellings for the Netherlands and Denmark.

Source: SILC 2007, own calculations

Please only include housing allowances if they are an integrated part of social assistance or a right of all persons receiving social assistance. Housing allowances that are provided on a discretionary basis do not have to be included.

Table 2   Numbers of observations in each cell

| country | Private Rented | | | Social Rented | | | Private and social rented |
|---|---|---|---|---|---|---|---|
| | 1 bedroom | 2 bedrooms | 3 bedrooms | 1 bedroom | 2 bedrooms | 3 bedrooms | |
| Austria | 640 | 799 | 294 | 138 | 165 | 91 | |
| Belgium | 190 | 332 | 338 | 59 | 109 | 126 | |
| Bulgaria | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | |
| Czech R. | 182 | 123 | 37 | 758 | 525 | 99 | |
| Denmark* | 412 | 549 | 395 | 0 | 0 | 0 | |
| Estonia | | 109 | | | 52 | | |
| Finland | 216 | 321 | 154 | 279 | 407 | 300 | |
| France | 433 | 581 | 478 | 268 | 535 | 406 | |
| Germany | 1704 | 2323 | 983 | 222 | 294 | 124 | |
| Greece | 283 | 343 | 113 | | 39 | | |
| Hungary | | 160 | | | 180 | | |
| Ireland | | 145 | | 67 | 81 | 116 | |
| Italy | 735 | 1140 | 521 | 192 | 270 | 120 | |
| Latvia | 147 | 147 | 147 | | 199 | | |
| Lithuania | | | | | | | 55 |
| Luxembourg | 247 | 389 | 252 | | 101 | | |
| Netherlands* | 280 | 586 | 851 | 0 | 0 | 0 | |
| Norway | 227 | 175 | 72 | | 155 | | |
| Poland | 163 | 79 | na | | 99 | | |
| Portugal | 52 | 194 | 112 | 44 | 133 | 87 | |
| Romania | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | |
| Slovakia | 102 | 234 | 40 | n.a. | n.a. | n.a. | |
| Slovenia | 162 | 67 | n.a. | | 87 | | |
| Spain | 50 | 108 | 251 | | 170 | | |
| Sweden | 642 | 674 | 352 | | 122 | | |
| UK | 97 | 217 | 192 | 416 | 549 | 478 | |

n.a. = no data available

Source: SILC 2007, own calculations

- *Income tax payable*

The income tax payable should include all national and sub-national income taxes. We ask you to take into account any tax credits or allowances administered through the income tax system, excluding deductions and/or credits for children and child care services.

- *Employee social security contributions*

These contributions should include all the contributions that employees are statutorily required to make on their earnings. Please do not include contributions to private schemes unless they are statutorily required.

- *Local property or other non-income taxes*

This tax should include any additional charges for water, sewerage or garbage collection. We ask you to choose a major city (cf. supra). Please use the same city as in part B of the questionnaire (see introduction to part B of the questionnaire).

- *Child cash benefit (universal and means-tested)*

These benefits should include all income and non-income related child cash benefits. These may include refundable tax credits.

- *Child care costs*

For children age 2, we ask you to include the average monthly cost of the most commonly used formal full-employment-day, full-week, regulated child care service. If families may deduct/credit their child care service costs against income taxes payable, please calculate the net child care service costs.

**Remark: Sources and assumptions**

While choosing the data for the matrices (the gross minimum and average earnings, the taxes and the net disposable income), please note that we are particularly interested in the proportion of the minimum schemes to the average earnings. We ask you to consider whether the proportion between the net disposable income of, for example, case 2 and case 4 is representative for your country.

Furthermore, please give preference to :
- assumptions that best ensure comparability between 2001 and 2009;
- assumptions that best depict *minimum* income situations.

Please describe precisely the assumptions you have made in part A of the questionnaire.

2. TIME SERIES OF GROSS AMOUNTS

We kindly ask you to make for your country a time series (ideally one-year intervals) from 2001 onwards with respect to:
- Gross social assistance benefits for working age persons
- Gross guaranteed minimum income for older people
- Gross average wage

**The Evolution of Minimum Income Protection in the EU**

**Questionnaire**

PART A: SIMULATIONS

1.  -What were the assumed mean gross **average earnings** per month for male and female full time employees? Please mention the source.


2.  -Did your country have some form of **minimum wage**?

    -What is the *official label* of the minimum wage that you chose for income case 3?

    -Which *assumptions* did you need to make in order to fill in the matrix for income case 3?
    (both from the assumptions we provided and other assumptions)

    -What is the estimated *number* of minimum wage earners (June 2009)? And what is their (estimated) share in the working population (employees)? Please mention the source(s).

    -Please give a brief comment (by family type) on the *evolution* of the net disposable income of minimum wage earners (case 3) between 2001-2009 (in particular as compared to the evolution of the net disposable income of average wage earners (case 1 and 2)). We are particularly interested in the policy changes that may have affected the net disposable income of minimum wage earners between 2001-2009.


3.  -Do you consider the benefit programme in appendix 2 to be the most appropriate scheme for simulating the disposable income of **able-bodied persons receiving social assistance**? If not, why?

    -The net disposable income of case 4 should include non-discretionary housing allowances. People receiving social assistance, are they entitled to *other non-discretionary cash supplementary benefits* (e.g. heating allowances)? If yes, please mention the amount of each benefit for each family type.

    -People receiving social assistance, are they entitled to non-discretionary *supplementary in-kind benefits* (e.g. food stamps)? If yes, please specify.


    -People receiving social assistance, are they entitled to *associated rights* (e.g. reduced costs for medical care, communication and/or public transport)? If yes, please specify.

    -Which *assumptions* did you need to make in order to fill in the matrix for income case 4? (both from the assumptions we provided and other assumptions) (e.g. private or public rented dwelling)

    -Are benefit levels dependent on benefit duration (i.e. is there any *phasing* of benefit levels)? If yes, please explain.

-What is the (estimated) *number* of benefit recipients (June 2009) in this scheme? And what is their share in the working age population (15-64y.)? Please mention the source(s).

-Please give a brief comment (by family type) on the *evolution* of the net disposable income of social assistance recipients of working age (case 4) between 2001-2009 (in particular as compared to the evolution of the net disposable income of average wage earners (case 1 and 2)). We are particularly interested in the policy changes that may have affected the net disposable income of social assistance recipients between 2001-2009.

4.  -Did your country have some form of **guaranteed minimum income for older people** without sufficient resources?

    -What is the *official label* of the guaranteed pension benefit that you chose for income case 5?

    -The net disposable income of case 5 should include non-discretionary housing allowances. People receiving a minimum income guarantee for elderly, are they entitled to *other non-discretionary cash supplementary benefits* (e.g. heating allowances)? If yes, please mention the amount of each benefit for each family type.

    -People receiving a minimum income guarantee for elderly, are they entitled to non-discretionary *supplementary in-kind benefits* (e.g. food stamps)? If yes, please specify.

    -People receiving a minimum income guarantee for elderly, are they entitled to *associated rights* (e.g. reduced costs for medical care, communication and/or public transport)? If yes, please specify.

    -Which *assumptions* did you need to make in order to fill in the matrix for income case 5?
    (both from the assumptions we provided and other assumptions) (e.g. age, private or public rented dwelling)

    -What is the estimated *number* of benefit recipients (June 2009) in this scheme? And what is their share in the population at retirement age and older? Please mention the retirement age.

    -Please give a brief comment (by family type) on the *evolution* of the net disposable income in case 5 between 2001-2009 (in particular as compared to the evolution of the net disposable income of average wage earners (case 1 and 2)). We are particularly interested in the policy changes that may have affected the net disposable income of elderly minimum income recipients between 2001-2009.

5.  -Did any **tax** allowance or credits exist for the income cases or family types used in the data matrices? If so, what are they called and who qualifies?

    -Please mention the assumptions you made as to income tax when filling in the matrix.

6.  -Were any of the family types used in the matrices exempt from **national insurance contributions** (social security/ health insurance)? If yes, please explain.

-Please mention the assumptions you made as to national insurance contributions when filling in the matrix.

7.  -Please mention the assumptions you made as to **local taxation** when filling in the matrix (e.g. region and housing type).

8.  -What is the official label of the **child benefits** that you chose to fill in the matrix?

    -Which assumptions did you need to make in order to fill in child benefit amounts in the matrix? (both from the assumptions we provided and other assumptions)

9.  -What is the type and official label of the **child care service** that you chose to fill in the matrix?

    -Which assumptions did you need to make in order to fill in child benefit amounts in the matrix? (both from the assumptions we provided and other assumptions) Please identify the source(s).

PART B: CONDITIONALITY

This part of the questionnaire deals with the conditionality of social assistance benefits for able-bodied persons (see appendix 2 for an overview of relevant benefit schemes). We ask you to select the June 30 2009 date. This part of the questionnaire is split into two sections.

The first section concerns the national regulatory framework relating to the conditionality of social assistance benefits. Regulatory framework refers here to a rather broad range of regulations, including statutory regulations as well as ministerial orders, court orders etc. Countries where social assistance is devolved to the regional government level (like, for example, Spain and Austria), are asked to choose a specific region to complete this part of the questionnaire. Please identify the selected region.

The second part of the questionnaire is meant for those countries where the national or regional regulatory framework is rather limited and consequently where municipalities are relatively free to set their own work requirements, sanctions, etc. The purpose of the second part is to illustrate the conditionality of social assistance benefits on the basis of the practices in a specific municipality (the capital or a major city) for those countries where the main responsibility for integrating welfare recipients into the labour market is devolved to the municipalities. Please choose the same municipality as for the model family simulations (more in particular, the simulation of local property and other non-income taxes).

So if the national or regional regulatory framework is quite extensive in your country, please focus on the first part of the questionnaire (the second part is optional).

On the other hand, if the national or regional regulatory framework in your country is quite restricted, please focus on the second part of the questionnaire. However, we ask you also to complete the first part of the questionnaire to the extent possible.

The following table serves to give a sense of the extensiveness of the national or regional responsibilities relating to the conditionality of social assistance benefits for able-bodied persons. Please indicate for each item which government can be considered to be the main decision maker.

| | National government | Regional governments | Local governments |
|---|---|---|---|
| Time limits on social assistance (see question 1) | | | |
| Sanctions for social assistance recipients (see question 2) | | | |
| Individual activity requirements for social assistance recipients (see question 3) | | | |
| Activation programmes for social assistance recipients (see question 4) | | | |
| Definition of reasonable job (see question 6) | | | |
| Earning disregards for social assistance recipients (see question 7) | | | |
| Profiling system (see question 9) | | | |
| Provision of care (see question 10) | | | |

**I. The national (regional) regulatory framework**

1. Are there time limits on social assistance system in your country?

2. a) Does the national regulatory framework for social assistance in your country provide sanctions against claimants?

    b) If yes, could you please specify the sanctions that are nationally defined?

| Ground | Sanction* | Duration |
|---|---|---|
| Failure to report change of address | | |
| Failure to report change of household composition | | |
| Failure to report (change of) income | | |
| Failure to proof independent job search | | |
| Failure to attend work readiness interviews or training courses | | |
| Failure to accept referrals to active labour market programmes | | |
| Failure to accept referrals to job offers | | |
| **Others, please specify:** | | |

\* If repeated infringement is sanctioned more severely, please indicate. If benefit amounts are reduced, please specify the benefit reduction rate.

Comments:

c) Please give an indication of the frequency of implementation of the above sanctions. If available, please record the number of sanctions or sanction rates. Please mention the source(s).

d) Does there exist a range of sanctions in your country that is decided on a more discretionary basis alongside the nationally defined sanctions? If yes, please specify the most common sanctions.

3. a) Does the national regulatory framework in your country provide individual activity requirements for social assistance benefit recipients?

    b) If yes, specify the individual activity requirements. Please also specify whether or not these requirements are mandatory (including: for which population groups, after how many weeks/months,…).

    - Registration with public employment service:

    - Integration or insertion contracts[4]:

---

[4] A contract between the benefit recipient and the benefit agency specifying the type of actions that the recipient is supposed to undertake with the agency's support in order to improve his or her chances to social integration or labour market participation.

- Individual job search requirements:

- Participation in job counseling programmes:

- Participation in training programmes:

- Participation in public employment programmes:

- Others, please specify:

Comments:

c) Does there exist a range of individual activity requirements in your country that is decided on a more discretionary basis alongside the nationally defined requirements? If yes, please specify the most common requirements.

4.  Please give an overview and short description of the activation programmes for social assistance recipients. Please discuss for each scheme
    - principal objectives
    - target group (age, nationality, whether or not social assistance recipiency is a requirement, …)
    - whether participation is mandatory (and after how many months)
    - duration
    - government level (national versus sub-national schemes)

We also ask you to state or estimate the number of participants in each scheme. If possible, please distinguish between the inflow from social assistance and other inflow. Please mention the source(s) and the year to which the data refer.

In order to gauge the main purpose(s) of activation in your country, we would like you to position the above schemes in following table. Some schemes may classify under several headings.

| Aim | Programme |
|---|---|
| Job search assistance and case management | |
| Individual action planning and profiling | |
| Basic education and training | |
| Language education | |
| Further vocational training | |
| Job-related training | |
| Subsidized employment aimed at regular labour market (re-)integration | |
|    - Subsidized employment aimed at regular labour market (re-)integration (private sector only) | |
|    - Subsidized employment aimed at labour market (re-)integration (public sector only) | |
| Subsidized employment aimed at requalification for social insurance benefits | |
| Subsidized employment aimed at social rather than regular labour market integration | |
| Start up grant aimed at self-employment | |
| Direct public job creation | |
| **Other, please specify:** | |

Comments:

5. What is the estimated total number of social assistance recipients that is participating in activation programmes? And what is their (estimated) share in the population of social assistance recipients? Please mention the source(s) and the year to which the data refer.

6. The following questions examine the concept of reasonable jobs, i.e. jobs that social assistance recipients are expected to take.

   a) Is there a national regulatory framework with respect to the definition of a reasonable job?

   b) If yes, please specify the criteria that are included in the definition of a reasonable job. Please specify whether the criteria vary depending on benefits duration or characteristics of the claimant (e.g. age, household composition, …).

   - Distance to work or time of commuting:

   - Wages levels to accept:

   - Other working conditions to accept (e.g. low-skilled jobs, night shifts, part time work):

   - Availability of (child)care

   - Others:

Comments:

c) Does there exist a range of 'reasonable job'-criteria in your country that is decided on a more discretionary basis alongside the nationally defined criteria? If yes, please specify the most common criteria.

7.  Does the national regulatory framework for social assistance in your country provide financial incentives to labour market participation by means of earnings disregards?

For example, in the Belgian social assistance system earnings are partially exempted from means-testing (and from taxes and social security contributions). This earnings disregard (the so-called 'Socio-Professionele Integratie'-disregard or SPI-disregard) is limited to 216,7 euro per month (in June 2009). It is also time-limited (up to 3 years). Thanks to the SPI-disregard, social assistance recipients can increase their net disposable income, even if their net earnings do not exceed the basic social assistance rate. To illustrate this: in Belgium the net disposable income of a single person on social assistance amounts to 711,6 euro per month. If he or she finds a job paying 711,6 euro per month (net), his or hers net disposable income would increase to 928,3 (711,6 net earnings (of which 216,6 euro would be exempted from means-testing) + 216,7 social assistance).

Please specify the earnings disregards for social assistance recipients in your country.

8.  Are there specific groups that are exempted from activity requirements – or treated differently in this respect – in the social assistance system of your country (e.g. lone parents, persons with young children, persons above a certain age, etc.)? Please specify any specific activity requirements, if any, for specific population groups.

9.  a) Is support for social assistance recipients tailored to individual circumstances, work capacity and needs? If yes, please specify how.

b) Statistical profiling systems are an important instrument to tailor assistance to client needs[5]. Does your country have a formalized profiling system to map individual employment opportunities of social assistance claimants? If yes, please specify the criteria included in this system. Please also specify the link between the profiling system and the definition of a reasonable job (question 6), the range of activation programmes offered (question 4), the individual activity requirements (question 3) or the sanctioning system (question 2).

10. a) Do social assistance recipients usually receive care (i.e. services in-kind) alongside social assistance benefits? 'Care' includes here a broad range of practical, personal and social support such as assistance in resolving housing problems, assistance in resolving debts, assistance in resolving psychosocial issues, etc. If yes, please specify the most common types of care provided to social assistance recipients.

---

[5] A profiling system is a (statistical) method to both identify beneficiaries at risk of becoming long-term unemployed and refer them to appropriate labour market programmes.

b) If yes, do social assistance recipients usually receive cash (i.e. social assistance benefits) and care (i.e. services in-kind) from the same agency?

**II. The conditionality of social assistance benefits in a specific municipality**

1. Are there time limits on social assistance system in your municipality?

2. a) Does the regulatory framework for social assistance in your municipality provide sanctions against claimants?

   b) If yes, could you please specify the sanctions that are formally defined?

| Ground | Sanction* | Duration |
|---|---|---|
| Failure to report change of address | | |
| Failure to report change of household composition | | |
| Failure to report (change of) income | | |
| Failure to proof independent job search | | |
| Failure to attend work readiness interviews or training courses | | |
| Failure to accept referrals to active labour market programmes | | |
| Failure to accept referrals to job offers | | |
| **Others, please specify:** | | |

   * If repeated infringement is sanctioned more severely, please indicate. If benefit amounts are reduced, please specify the benefit reduction rate.

   Comments:

   c) Please give an indication of the frequency of implementation of the above sanctions. If available, please record the number of sanctions or sanction rates. Please mention the source(s).

   d) Does there exist a range of sanctions in your municipality that is decided on a more discretionary basis alongside the formally defined sanctions? If yes, please specify the most common sanctions.

3. a) Does the regulatory framework in your municipality provide individual activity requirements for social assistance benefit recipients?

b) If yes, specify the individual activity requirements. Please also specify whether or not these requirements are mandatory (including: for which population groups, after how many weeks/months,…).

- Registration with public employment service:

- Integration or insertion contracts[6]:

- Individual job search requirements:

- Participation in job counseling programmes:

- Participation in training programmes:

- Participation in public employment programmes:

- Others, please specify:

Comments:

c) Does there exist a range of individual activity requirements in your municipality that is decided on a more discretionary basis alongside the formally defined requirements? If yes, please specify the most common requirements.

4. Please give an overview and short description of the activation programmes for social assistance recipients in your municipality. Please discuss for each scheme
   - principal objectives
   - target group (age, nationality, whether or not social assistance recipiency is a requirement, …)
   - whether participation is mandatory (and after how many months)
   - duration
   - government level (local versus sub-national schemes)

We also ask you to state or estimate the number of participants in each scheme. If possible, please distinguish between the inflow from social assistance and other inflow. Please mention the source(s) and the year to which the data refer.

In order to gauge the main purpose(s) of activation in the municipality, we would like you to position the above schemes in following table. Some schemes may classify under several headings.

---

[6] A contract between the benefit recipient and the benefit agency specifying the type of actions that the recipient is supposed to undertake with the agency's support in order to improve his or her chances to social integration or labour market participation.

| Aim | Programme |
|---|---|
| Job search assistance and case management | |
| Individual action planning and profiling | |
| Basic education and training | |
| Language education | |
| Further vocational training | |
| Job-related training | |
| Subsidized employment aimed at regular labour market (re-)integration | |
|    - Subsidized employment aimed at regular labour market (re-)integration (private sector only) | |
|    - Subsidized employment aimed at labour market (re-)integration (public sector only) | |
| Subsidized employment aimed at requalification for social insurance benefits | |
| Subsidized employment aimed at social rather than regular labour market integration | |
| Start up grant aimed at self-employment | |
| Direct public job creation | |
| **Other, please specify:** | |

Comments:

5. What is the estimated total number of social assistance recipients that is participating in activation programmes? And what is their (estimated) share in the population of social assistance recipients? Please mention the source(s) and the year to which the data refer.

6. The following questions examine the concept of reasonable jobs, i.e. jobs that social assistance recipients are expected to take.

a) Is there a regulatory framework with respect to the definition of a reasonable job?

b) If yes, please specify the criteria that are included in the definition of a reasonable job. Please specify whether the criteria vary depending on benefits duration or characteristics of the claimant (e.g. age, household composition, …).

- Distance to work or time of commuting:

- Wages levels to accept:

- Other working conditions to accept (e.g. low-skilled jobs, night shifts, part time work):

- Availability of (child)care

- Others:

Comments:

c) Does there exist a range of 'reasonable job'-criteria in your municipality that is decided on a more discretionary basis alongside the formally defined criteria? If yes, please specify the most common criteria.

7. Does the regulatory framework for social assistance in your municipality provide financial incentives to labour market participation by means of earnings disregards? Please specify the earnings disregards for social assistance recipients in your municipality.

8. Are there specific groups that are exempted from activity requirements – or treated differently in this respect – in the social assistance system of your municipality (e.g. lone parents, persons with young children, persons above a certain age, etc.)? Please specify any specific activity requirements, if any, for specific population groups.

9. a) Is support for social assistance recipients tailored to individual circumstances, work capacity and needs? If yes, please specify how.

b) Statistical profiling systems are an important instrument to tailor assistance to client needs[7]. Does your municipality have a formalized profiling system to map individual employment opportunities of social assistance claimants? If yes, please specify the criteria included in this system. Please also specify the link between the profiling system and the definition of a reasonable job (question 6), the range of activation programmes offered (question 4), the individual activity requirements (question 3) or the sanctioning system (question 2).

10. a) Do social assistance recipients usually receive care (i.e. services in-kind) alongside social assistance benefits? 'Care' includes here a broad range of practical, personal and social support such as assistance in resolving housing problems, assistance in resolving debts, assistance in resolving psychosocial issues, etc. If yes, please specify the most common types of care provided to social assistance recipients.

b) If yes, do social assistance recipients usually receive cash (i.e. social assistance benefits) and care (i.e. services in-kind) from the same agency?

---

[7] A profiling system is a (statistical) method to both identify beneficiaries at risk of becoming long-term unemployed and refer them to appropriate labour market programmes.

PART C: IMPACT OF THE FINANCIAL AND FISCAL CRISIS

We would like to capture how governments are adapting minimum income protection policies in order to respond to the economic recession. We ask you to provide an overview of the main policy changes that have affected the net disposable income of minimum income recipients and the conditionality of social assistance benefits since June 2008.

1.  Please provide an overview of the policy changes that have affected the net disposable income of minimum wage earners (see model family simulations case 3). Please also specify the date at which the changes came into operation.
    a.   between June 2008 and June 2009

    b.   since June 2009

2.  Please provide an overview of the policy changes that have affected the net disposable income of able-bodied working-age social assistance recipients (see model family simulations case 4). Please also specify the date at which the changes came into operation.
    a.   between June 2008 and June 2009

    b.   since June 2009

3.  Please provide an overview of the policy changes that have affected the net disposable income of elderly minimum income recipients (see model family simulations case 5). Please also specify the date at which the changes came into operation.
    a.   between June 2008 and June 2009

    b.   since June 2009

4.  Please provide an overview of the policy changes that have affected the conditionality of social assistance benefits for able-bodied persons (see questionnaire part B). Please also specify the date at which the changes came into operation.
    a.   between June 2008 and June 2009

    b.   since June 2009

5.  Possibly, the recent financial and economic crisis has induced a shift from cash social assistance benefits towards more in-kind support (price differentiated and/or subsidized public transport, energy, communication, medical care, education etc.). Are there indications that such shift has occurred in your country since June 2008?

**Appendix 1: List of localities used in the study of 2003**

| Country | Locality |
|---------|----------|
| Austria | Vienna |
| Denmark | Copenhagen |
| France | Draveil (Essonne) |
| Germany | Estimations based on average amounts |
| Greece* | No assumptions with regard to locality |
| Ireland* | No assumptions with regard to locality |
| Italy | Milan (Lombardy) |
| Luxembourg | Luxembourg City |
| Netherlands | Utrecht |
| Norway | Oslo |
| Portugal* | No assumptions with regard to locality |
| Spain | Barcelona (Catalunya) |
| Sweden | Stockholm |
| UK | York |

**Appendix 2: Social assistance scheme for able-bodied working-age persons**

| Country | Social assistance scheme for able-bodied working-age persons (case 4) |
|---------|------------------------------------------------------------------------|
| Austria | Sozialhilfe |
| Belgium | Revenu d'Intégration/Leefloon |
| Denmark | Kontanthjælp |
| Finland | Toimeentulotuki |
| France | Revenu de Solidarité Active (RSA) |
| Germany | Arbeitslosengeld II |
| Greece | ? |
| Ireland | Jobseeker's Allowance |
| Italy | ? |
| Luxembourg | Revenu Minimum Garanti |
| Netherlands | Algemene Bijstand (Wet Werk en Bijstand) |
| Norway | Økonomisk Stønad |
| Portugal | Rendimento Social de Inserção |
| Spain | ? |
| Sweden | Ekonomiskt Bistånd |
| UK | Jobseeker's Allowance |

# Appendix B.   Assumptions

Table 2.   Assumptions with respect to municipality

| | Locality |
|---|---|
| AT | Vienna |
| BE | Antwerp |
| BG | No specific municipality mentioned.<br>• For local taxes: a city with about 100 000 inhabitants, as the median urban population is residing in such cities.<br>• For child care services: middle-sized city |
| CZ | No specific municipality mentioned.<br>• For local taxes: average |
| DE | Mannheim |
| DK | Copenhagen |
| EE | Tartu |
| ES | No municipality mentioned.<br>• Region: Catalonia |
| FI | No municipality mentioned. |
| FR | Paris |
| GR | Athens. |
| HU | No municipality mentioned. |
| IE | Dublin |
| IT | Milan |
| LT | Vilnius |
| LU | Luxembourg-City |
| LV | Riga |
| NL | Utrecht |
| NO | Oslo |
| PL | Warsaw |
| PT | No specific municipality mentioned.<br>• Local taxes: total average expense of households in Portugal.<br>• Child care service: Lisbon |
| RO | Cluj-Napoca (North-West region of the country, larger urban area, somewhat more prosperous) |
| SE | Stockholm |
| SI | No municipality mentioned. |
| SK | No municipality mentioned. |
| UK | York |
| US | Nebraska: Lincoln |
| | New Jersey: Trenton |
| | Texas: Austin |

Table 3.  Income taxes: available information on allowances included and additional assumptions made (2009)

| | |
|---|---|
| AT | Existing tax credits or tax allowances:<br>• Child tax credit ("Kinderabsetzbetrag"), for persons with children entitled to family allowance ("Familienbeihilfe"), paid for each child. [a]<br>• Single earner's tax credit ("Alleinverdienerabsetzbetrag") for single earners (cohabiting and not permanently separated)<br>• Lone parent tax credit ("Alleinerzieherabsetzbetrag") for lone parents (person subject to tax with at least 1 child and not cohabiting)<br>• Wage earners' tax credit ("Arbeitnehmerabsetzbetrag"); if income from employment and income subject to income tax for employees ("Lohnsteuer").<br>Negative tax is only possible in case of single earner's tax credit with at least 1 child or lone parent tax credit and/or in case of wage earners' tax credit. |
| BE | Tax credits or tax allowances:<br>Level depends on family situation (spouse and number of children).<br>Tax credits for dependent children are refundable (max. of 380 euros per child) |
| BG | No tax allowances mentioned. |
| CZ | Tax credits or tax allowances:<br>9. a personal allowance for each taxpayer.<br>10. Spouse allowance if income of spouse < 38 040 CZK.<br>11. Child allowance<br>If taxable income is 6 times the minimum wage, the tax allowances are refundable. |
| DE | General assumptions:<br>Nobody is member of a church, no church tax is paid.<br><br>Tax credits or tax allowances:<br>• The standard tax-free allowance for wage earners (Arbeitnehmerpauschbetrag)<br>• Entlastungsbetrag: granted to each single parent family<br>• The deduction of childcare costs which amounts to two third of actual costs up to a maximum of 4000 Euro per year per child below compulsory school-age for working parents (both working) or for one working single parent. |
| DK | No information available. |
| EE | General assumptions<br>Income tax obligation after the income tax declaration is submitted next calendar year.<br><br>Tax credits or tax allowances (used in the calculations)<br>• Annual basic allowance (27 000 EEK)<br>• increased basic allowance in case of 2 or more children : non-refundable<br>• Cost of child care services can be deducted from taxable income (if family has taxable income). This allowance has been taken into account by reducing the child care costs. [b] |
| ES | Tax credits or tax allowances<br>Desgravación fiscal<br>In case of work (€2652), family (€5151) and the fact of presenting the income tax return jointly with partner (€3400) |
| FI | Tax credits or tax allowances<br>• Earned income tax deduction for income from earnings (ansiotulovähennys) (taxable transfer income at the same level has a higher tax rate) |
| FR | General assumptions<br>The local income and property tax (taxe d'habitation) is classified under income tax (and not under local tax) as it is income related.<br><br>Tax credits or tax allowances<br>• Income situation of minimum wage: working tax benefit/credit is included in the calculation of income tax<br>• A tax credit for the 14 year old child at school is included in the income tax<br>• Childcare tax credit: included in child care costs<br><br>For the taxe d'habitation, the number of children are taken into account. |
| GR | General assumptions<br>Tax allowances for medical expenses or for mortgage interest payments were ignored.<br><br>Tax credits or allowances (used in the calculations)<br>• Non-refundable child tax allowance (1000 euro for 1 child, 2000 euro for 2 children) |

Table 3. Income taxes: available information on allowances included and additional assumptions made (2009) - continued

| HU | No tax allowances mentioned. |
|---|---|
| IE | Tax allowances<br>• Individual tax free amount |
| IT | General assumptions<br>All non earning family members are dependent on the earner(s).<br>The lone parent is divorced.<br>Tax credits or allowances<br>• Tax credit for a dependent worker<br>• Tax credit for a pensioner<br>• Tax credit for dependent spouse, children and other relatives (Detrazione IRPF per coniuge, figli e altri familiari a carico)<br>• Tax credits for some items of expenditure (health expenditures, dwelling rent or loan, childcare fees) |
| LT | Tax allowances or credits<br>• Non taxable base per person (*neapmokestinamasis minimumas*) depending on gross monthly salary earned<br>• Non taxable base in case of children (amount divided equally among parents, full amount for a single parent) |
| LU | Tax allowances or credits<br>• A tax credit for salaries (credit d'impôt pour salarié), also for unemployment allowance or social assistance benefit: annual amount of 300 €<br>• Tax credit for pensioners (credit d'impôt pour pensionnés): 300 € per year<br>• Tax credit for self-employed (credit d'impôt pour indépendants): 300 € per year<br>• Tax credit for lone parents (credit d'impôt monoparental): 750 € per year<br>• Déductions de frais d'obtention pour salarié : 540 euro per year per worker<br>• Déductions de frais d'obtention pour pension rentes : 300 euro per year per recipient of a pension<br>• Déductions de frais de déplacement minimum (minimum deduction for transportation) : 396 euro per year per worker<br>• Dépenses spéciales : 480 euro per year (per fiscal household, twice if two members of a married couple are working)<br>• Extra professional tax allowance (Abattement extra-professionnel) : 4500 euro per year (for a married couple, both members of the couple enjoy the allowance, but only if the two members of the married couple are working)<br>• Abattement pour frais de garde d'enfants : 3600 euro per year, but the deduction cannot be higher than the cost |
| LV | Tax allowances or credits used in the simulations<br>• Allowance according to the number of people in the household and their status (earner or dependent person) |
| NL | Tax allowances or credits<br>• General tax allowance (Algemene heffingskorting)<br>• Allowance on labour (arbeidskorting)<br>• Allowance for the elderly (Ouderenkorting)<br>• Combinatiekorting<br>• Kinderkorting<br>• Aanvullende kinderkorting<br>• …<br>Note: Income tax for the Netherlands was calculated using Microtax software, which includes the complete tax and benefit system. The mentioned allowances are meant as examples of the most current allowances. |
| NO | Tax allowances or credits<br>• Tax allowance for documented expenditures on child care (Fradrag for faktiske utgifter til pass og stell av barn)<br>• Tax allowance to all elderly people: Særfradrag for alder og uførhet<br>• Tax credit targeted at elderly with low income: Skattebegrensning for pensjonister<br>• Standard tax allowance (no more information) |
| PL | Tax allowances or credits<br>• The amount deducted from a wage as the cost of work (e.g. cost of commuting)<br>• The amount free of tax<br>• Tax deductions per child<br>• Health insurance contribution up to 7.75% of the income |
| PT | No extra assumptions were needed. No tax allowances used in the simulations. |
| RO | Tax allowances or credits<br>• Personal deductions from taxable income (deducere personală)<br>   o Only when income < 3000 lei per month, level varies with income and number of dependent family members |

Table 3.    Income taxes: available information on allowances included and additional assumptions made (2009) - continued

| SE | Tax allowances or credits<br>• Basic tax allowance for wage earners<br>• Tax allowance for employee pension contribution |
|---|---|
| SI | Tax allowances or credits<br>• General tax allowance : level varies with income<br>• Annual family allowance to residents who are supporting their family members |
| SK | Tax allowances or credits<br>• Non-taxable base of tax per tax payer: 3 435, 26 euro per year<br>• Non taxable base of tax for a spouse: 3 435.26 euro per year<br>• Child tax allowance: 19.32 euro per child per month |
| UK | Tax allowances or credits<br>• Working tax credit for low-income full-time workers<br>Note: Child tax credit is included under child cash benefit. |
| US | Tax allowances or credits<br>Federal<br>• Earned income tax credit<br>• Child and dependent care credit<br>• Child tax credit<br>State-level [c]<br>Nebraska: a state-level EITC existed, providing a refundable benefit equal to 10% of the federal credit<br>New Jersey:<br>- Property tax rebate: rebates an estimated property tax liability as part of the state income tax<br>-state-level EITC: portion of the federal EITC benefit. (25%)<br>Texas: no income tax |

Notes: [a] This tax credit is mentioned here for reasons of comprehensiveness. In fact, it is included under the cash child benefit income component; [b] This deduction is included in the net child care costs; [c] State-level taxes are recorded under local taxes.

Table 4.    Local taxes: information available on charges and taxes included (2009)

| | Charges taken up in the simulations | Notes |
|---|---|---|
| AT | No local tax taken up in calculations. (as the greater part of the tax rests on the employers ) | Charges for water, sewerage and garbage collection are in most cases paid together with rent (Betriebskosten) but are not subtracted from gross income. Therefore (as in 1992 and 2001) these charges were not considered. |
| BE | a) Province tax: every household needs to pay tax for living in a certain province → fixed amount / year <br> b) council tax: cities or towns charge the inhabitants for living on their territory → % of personal income tax <br> c) Refuge collection, water and sewerage charges | Minimum income recipients, unemployed, disabled, retired and orphans are exempt from the province tax. |
| BG | a) Immobile property tax [a] <br> b) sewage tax <br> c) annual vehicle tax for the median vehicle for the median urban population | A dwelling and a vehicle are the two typical assets owned by a Bulgarian family. |
| CZ | a) The average household property tax duty | |
| DE | No local taxes taken up in calculation, as there are no local taxes on personal income. | Costs for garbage collection, water supply and others are usually included in the rent and are considered part of the housing costs. |
| DK | n.a. | |
| EE | a) land tax (depends on value of the land) [b] | No local charges for water, sewerage or garbage. These are seen as services. Prices of these services include a national environmental charge, but this is effectively a tax on consumption. |
| ES | a) local tax was estimated at 1.2% of income | |
| FI | Average municipal tax rate was used. | |
| FR | a) garbage collection: taxe d'enlèvement des ordures ménagères | In 1992 and 2001, local taxes were calculated for Draveil (Essone) (2001) and Bar-le-Duc (1992). It should be noted that income case 4 and income case 5 do not pay local taxes. Garbage collection tax was recalculated and is comparable over time. |
| GR | No local taxes are taken into account, as they are set as a percentage of the value of property. The households are assumed to rent their dwelling. | |
| HU | No general local tax exists. | |
| IE | a) bin collection charge (based on one collection per month) | No local taxes exist. Certain groups may be exempted from these charges. |
| IT | a) Regional surtax on IRPEF, since 1997 <br> b) municipal surtax is possible, but Milan does not levy such a tax <br> c) TARSU (Tassa sulla Raccolta dei Rifiuti Solidi Urbani, Tax on Urban Solid Garbage Collection) <br> d) water provision: based on average consumption | Certain groups may be exempted from these charges. Gas and electricity are linked to consumption. It was not possible to estimate the corresponding costs. |
| LT | No local taxes exist. | |
| LU | a) charges on water: consumption depends on the number of persons in the household. Charges including costs of water, costs of sewerage, rent of water meter + VAT of 3 %. <br> b) garbage collection: assumption that price depends on number of persons in the households. Prices based on the costs of garbage bags. | |
| LV | a) fee for the service of the housing fund (repair, cleaning, regular check of condition) [c] | |
| NL | No information available. | Certain groups are exempted from local taxes. |
| NO | No local taxation. | The only type of local taxation is property taxation, which is only issued by a limited number of municipalities (not in Oslo). |
| PL | a) land usage tax: based on the value of the land on which the property has been placed. Average of 5 different flats was taken, under the assumptions that the 5 model families live in a modest property with moderate area of land around their building, which is attributed to their flat proportionally to their flat size. <br> b)property tax <br> For both taxes, assumptions with respect to the surface of the flat have been made, being the median size of a flat per person in urban areas. | This tax does not include additional charges (for water, sewerage or garbage collection), as these are paid to private service companies. |

Table 4.    Local taxes: information available on charges and taxes included (2009) - continued

| | Charges taken up in the simulations | Notes |
|---|---|---|
| PT | a) water supply<br>b) sewerage services<br>c) garbage collection | Based on the 2005/2006 Household Budget surveys. Family types from the budget survey do not totally match the family types assumed in the simulations. |
| RO | a) tax on building (of their apartment within a block of flats) → % of the value of the asset | Assumptions:<br>- living in urban areas<br>- families do not posses agricultural property<br>-owner-occupied housing |
| SE | a) church tax<br>b) funeral tax | |
| SI | No local taxes exist. | |
| SK | No local taxes exist. | |
| UK | a) council tax band B<br>b) water and sewerage charges (based on UK average) | |
| US | **Nebraska**<br>*State income taxes*<br>→ calculated using simplified filing methods that took standard deductions from income. (plausible as households are assumed to be renters)<br>*State sales taxes*<br>→ assumption: 20% of income was expended on taxable items. On this amount the state sales tax rate was applied. (plausible, as most major expenditures like rent, food and medicine are exempt from state sales taxes)<br>*Local property taxes* [d] | |
| | **New Jersey**<br>*State income taxes*<br>→ calculated using simplified filing methods that took standard deductions from income. (plausible as households are assumed to be renters)<br>*State sales taxes*<br>→ assumption: 20% of income was expended on taxable items. On this amount the state sales tax rate was applied. (plausible, as most major expenditures like rent, food and medicine are exempt from state sales taxes)<br>*Local property taxes* [d] | |
| | **Texas**<br>*State sales taxes*<br>→ assumption: 20% of income was expended on taxable items. On this amount the state sales tax rate was applied. (plausible, as most major expenditures like rent, food and medicine are exempt from state sales taxes)<br>*Local property taxes* [d] | |

Notes: [a] In the Bulgarian case, house-ownership was assumed, as most part of the (low-income) population is still living in an owned apartment, as an inheritance of the communist period. Only for social assistance recipients, no house-ownership was assumed. However, they are supposed to live free of charge in a dwelling owned by relatives; [b] Land tax is estimated based on the revenues from land tax in Tartu. It is implicitly assumed that larger families live in larger dwellings. Land tax can (to a certain amount) be included in the housing cost when applying for subsistence benefit. Therefore land tax is added to the rent of the dwelling; [c] This service fee is separately included in the model family simulations as local tax, although it is usually paid together with rent. It is assumed that dwellings are rented from public authorities, otherwise, charges would be negotiated individually; [d] The local property tax is included in the local taxes. However, as this tax lies on the owners and not on renters, this charge will usually be implicitly included in the rent.

Table 5.    Overview of child benefits included in family simulations for 2009

| AT | Names of the child benefits used in the simulations<br>Family allowance: Familienbeihilfe (universal)<br>Child tax credit: Kinderabsetzbetrag (universal)<br>For lone parent (minium wage and social assistance): Childcare benefit + supplement: Kinderbetreuungsgeld + Zuschuss (means-tested)<br><br>Assumptions<br>Lone parent (minimum wage and social assistance): takes up the supplement to the child care benefit, which has to be **paid back** later. Takes up the alternative with the longest possible duration of the childcare benefit. |
|---|---|
| BE | Names of the child benefits used in the simulations<br>Child allowance: Kinderbijslag (universal)<br>(except for case 4 : Enhanced child allowance: Verhoogde kinderbijslag) |
| BG | Names of the child benefits used in the simulations<br>Monthly supplements for children. (means-tested)<br>One-time child benefit for first school year. (universal)<br><br>Assumptions<br>The lump sum benefit for the child aged 7 is evenly distributed for the year and only 1/12 of its amount is included as a component of the monthly income. |
| CZ | Names of the child benefits used in the simulations<br>Child benefit: Přídavky na děti (means-tested)<br>Social allowance: Sociální příplatek (means-tested) |
| DE | Names of the child benefits used in the simulations<br>Child tax credit that can be considered as a universal transfer payment: Kindergeld (universal) |
| DK | Names of the child benefits used in the simulations<br>Børnefamilieydelse<br>No further information available. |
| EE | Names of the child benefits used in the simulations<br>Monthly child allowance (universal)<br>Additional monthly child allowance for a single-parent child (universal)<br>Annual school allowance (universal)<br><br>Assumptions<br>The annual school allowance is divided by 12.<br>Children of a single parent are eligible for the single-parent benefit (meaning that the birth certificate registration does not have an entry concerning the father) |
| ES | Names of the child benefits used in the simulations<br>Asignación Económica por Hijo a Cargo (national level) (means-tested)<br>Prestació econòmica de caràcter universal per infant a càrrec (Catalan level) (universal) |
| FI | Names of the child benefits used in the simulations<br>Child allowance: Lapsilisä (universal)<br>Lone parents:<br>-Single parents' supplements (universal)<br>-maintenance support (Elatustuki) (municipal level) (in case no alimony is paid) (universal) |
| FR | Names of the child benefits used in the simulations<br>Family allowance: Allocations familiales (universal)<br>New school year allowance: Allocation de rentrée scolaire (means-tested)<br>Allocation de base de la prestation d'accueil du jeune enfant (means-tested) |
| GR | Names of the child benefits used in the simulations<br>Civil servants' family allowances<br>OAED child benefit<br><br>Assumptions<br>Average earners were assumed to be civil servants → civil servants' family allowance.<br>Other family types were assumed to receive the lower OAED child benefit. |
| HU | Names of the child benefits used in the simulations<br>Családi pótlék (universal) |
| IE | Names of the child benefits used in the simulations<br>Child benefit (universal) |
| IT | Names of the child benefits used in the simulations<br>Family allowance: Assegno per il nucleo familiar (only for employees (or unemployed or retired employees), upon request (contribution-based)<br><br>Assumptions<br>Dependent worker. |

Table 5.    Overview of child benefits included in family simulations for 2009 - continued

| LT | Names of the child benefits used in the simulations<br>2001: šeimos pašalpa (universal, for children up to age 3)<br>2009: išmoka vaikui (means-tested)<br><br>Assumptions<br>-Family receives only salary related income as indicated in the matrix.<br>-If there is one earner in the family, it is assumed that the spouse is registered unemployed (who does not receive an unemployment benefit) or on maternity (paternity) leave if a child is up to age 3. |
|---|---|
| LU | Names of the child benefits used in the simulations<br>Family allowance: Allocations familiales (universal)<br>New school year allowance: allocation de rentrée scolaire (universal)<br>Allocation post-natale (universal) |
| LV | Names of the child benefits used in the simulations<br>Family state benefit: Ģimenes pabalsts (universal)<br><br>Note: no other assumptions were used besides the one provided, simulations representing June 30th, 2009. However, July 1st 2009, amount of the benefit changed. |
| NL | Names of the child benefits used in the simulations<br>Kinderbijslag (universal)<br>Kindgebonden budget (income-related) |
| NO | Names of the child benefits used in the simulations<br>Barnetrygden (universal) |
| PL | Names of the child benefits used in the simulations<br>Basic family allowance: zasilek rodzinny (means-tested)<br>Supplement for long-term maternity leave (means-tested)<br><br>Assumptions<br>The lone parent (social assistance) is assumed to be on long-term maternity leave. |
| PT | Names of the child benefits used in the simulations<br>Family Allowance for Children and Young People: Subsídio Familiar a Crianças e Jovens (means-tested) |
| RO | Names of the child benefits used in the simulations<br>Universal state allowance for children: Alocaţia de stat universală pentru copii (from 1993 – present)<br>Supplementary child allowance for families with two or more children: Alocaţia suplimentară pentru copii (between 1997 and 2003) -<br>Means-tested child allowance: Alocaţia complementară pentru copii (from 2003 – present)<br>Means-tested child allowance for lone-parent families: Alocaţia de susţinere pentru familia monoparentală (from 2003 – present) |
| SE | Names of the child benefits used in the simulations<br>Barnbidrag (Universal) |
| SI | Names of the child benefits used in the simulations<br>Child allowance: otroški dodatek (means-tested)<br><br>Assumptions<br>Both children (7 and 14 years old) are enrolled in primary education.<br>The child in case E is two years old and enrolled in public child care. |
| SK | Names of the child benefits used in the simulations<br>Child benefit: prídavky na deti |
| UK | Names of the child benefits used in the simulations<br>Child benefit (universal)<br>Child tax credit (means-tested)<br><br>Assumptions<br>Income is assumed to be the same for current year and previous year. |
| US | See refundable tax credits mentioned under income tax.<br>Also, TANF benefit are dependent on the presence of children in the household. |

Table 6.    Information on child care services and additional assumptions, 2009

|  | Name of the child care service | assumptions | reductions |
|---|---|---|---|
| AT | Public crèche in **Vienna**. | - public<br>-Situation September 2009 | In case of employment of both partners/lone parents, only lunch costs have to be paid. |
| BE | Day care centres recognized by the Flemish governmental organization with responsibility for young children and families in **Flanders**.<br>→ parental contributions | -public<br>-Family lives in Antwerp, so the costs refer to the situation in Flanders. | Parental contributions are income related. |
| BG | Day nursery: municipal nursery for children aged 1.5-3 years.<br>→ nursery fees are regulated by each municipality according to its capacity. The typical amount for a middle-sized city is taken into account. | -public | No general reductions. Assessed at the local level on case by case basis. |
| CZ | No information available. [a] |  |  |
| DE | Kinderkrippe in **Mannheim**<br>→ costs include a warm lunch and extra costs for children below 3 for hygienic articles. | -public | The employed single parent with a child below the age of 3 can deduct childcare costs from taxable income. In the case of Germany, this deduction is included under income tax. |
| DK | Vuggestue: for children between 1 and 3 years old. | No information available. | Not mentioned. |
| EE | Crèches (lastesõim) organized by local governments for children of up to 3 years of age.<br>→ fee in Tartu: 8% of minimum wage | -public | Municipalities may give exceptions if families apply for it.<br><br>Fees of *registered (public)* child care services are income tax deductable→ child care allowance. (This deduction is included in the net child care costs used in the family simulations.) |
| ES | Prestación no económica por cuidado de hijo, de menor acogido o de otros familiares<br>→ This is a period of leave or working day reduction that a worker can take in order to take care for his children. It only consists of a right, but not of a sum of money. | Not applicable. | Not applicable. |
| FI | Public child day care | -public | Fees are regulated nationwide according to income level, size of family and number of children in day care. |
| FR | Care provided by a registered childminder at the childminder's home: Assistante maternelle agree<br><br>. | Full employment day, full week, for the whole year (except for holidays) → 230 days of child care | The calculation includes a social child care benefit (complement de mode de garde de la prestation d'acceuil du jeune enfant) and a childcare tax credit. |
| GR | Municipal kindergartens in **Athens**. | Public | Families with an annual income < €12 000 (or €15 000 if single parents) are exempt from child care fees. |
| HU | Bölcsõdei térítési díj | No further assumptions needed. | None mentioned. |
| IE | Children's Nursery<br>→ Average weekly price for a young child in **Dublin** according to survey of the national Children's Nurseries Association . | -private (no public provision of child care service) | None mentioned. |
| IT | Nidi d'infanzia (day care centre) in **Milan** | In order to calculate ISEE, assumptions with respect to rent level had to be made. | Fee level decided by municipality of Milan according to ISEE income (indicator of equivalent economic situation) In case of a very low income level, no fee has to be paid.<br><br>Day care fee is partly tax deductible. |

Table 6.   Information on child care services and additional assumptions, 2009 - continued

| | Name of the child care service | assumptions | reductions |
|---|---|---|---|
| LT | Municipal pre-school day-care services in **Vilnius** municipality (i.e. *lankymas Vilniaus miesto savivaldybės švietimo įstaigose, įgyvendinančiose ikimokyklinio ir priešmokyklinio ugdymo programas*)<br>→ Childcare fees vary by municipality | public | Single parent families or families receiving social assistance do not have to pay the child-care institution attendance fees. |
| LU | Maison relais conventionnée | 45 hours per week and 4 weeks per month. | Price depends on the income of the parents and the number of children. |
| LV | Kindergarten (vieta pirmsskolas izglītības iestādēs/place at the educational institution preparing child for the school) in **Jelgava** (2001) and **Riga** (2009).<br>→ costs determined by the municipality in its yearly budget | public | Parent receives child care benefit for a child under 2 years in 2009 for every family type. In 2001 only for non-working parent. |
| NL | "Dagopvang". This is the regular, institutionalized child care service.<br>→ Average cost per hour | 195 hours a month of child care service | Income related child care benefit (Kinderopvangtoeslag). This benefit was deducted from costs. |
| NO | No information available. | | |
| PL | Public crèche in Warsaw. | Public<br>8% of gross average wage. | None mentioned. |
| PT | Child care by IPSS in Lisbon | Private non-profit organizations (IPSS), financed by the State to provide for childcare services. | Costs paid by families depend on their family income, but calculation of price is not according to general rule, but stipulated by individual organization.<br>→ chosen to follow the income criteria of one of the major IPSS providing child care services in Lisbon. |
| RO | Nursery (cresa).<br>→ Organized by the Ministry of Health, available for children under 3. | Public. | None mentioned. |
| SE | Barnomsorg, förskol in Stockholm | Public. | Costs in Stockholm are household income related up to the nationally imposed maximum fee. |
| SI | Public child care (vrtec) | Public<br>Child is enrolled in class unit of 1st age period (1-3 years). | Child care fee depends on income and assets. |
| SK | No calculations on child care costs. | | |
| UK | Registered day nursery childcare<br>→ English regional average cost of fulltime childcare | 4 weeks a year childcare won't be needed. | Part of working tax credit is designed to aid with child care expenses. |
| US | No official label. | None are mentioned. | Vouchers are provided on a discreationary basis – not included in calculations. |

Note: [a] Only 1% of children is in day care in the Czech Republic.

Table 7. Countries with net disposable income of one-earner household at minimum wage lower than net disposable income of same household at social assistance – couple + 2 children

| | AT | B | BG | CZ | EE | FR | HU | IE | LV | LT | LU | NL | PL | PT | RO | SI | SK | ES | UK | US |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1992 | x | | | | | | | x | | | x | x | | | | | | x | | |
| 2001 | x | | | x | x | | | x | | x | x | | x | x | | x | x | x | | |
| 2009 | | | | x | | | | x | | x | x | | x | x | | x | | | | |

Note: Barred cells indicate countries were not yet included in the database. Shaded cells indicate countries without a minimum wage.

Table 8. Countries with net disposable income of a one-earner household at low wage lower than net disposable income to same household at social assistance – couple + 2 children

| | DK | FI | DE | IT | N | SE |
|---|---|---|---|---|---|---|
| 1992 | x | | x | | | x |
| 2001 | x | x | x | | | x |
| 2009 | x | x | | | | |

## Appendix C.   Data

Table 9.     Gross average wages in national currency, 1992-2009

| | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| AT* | 1850 | 1932 | 1998 | 2067 | 2110 | 2135 | 2176 | 2233 | 2278 | 2343 | 2394 | 2458 | 2498 | 2552 | 2629 | 2705 | 2778 | n.a. |
| BE* | 1717 | 1791 | 1875 | 1929 | 1973 | 2008 | 2052 | 2092 | 2149 | 1936[a] | 2010 | 2072 | 2100 | 2148 | 2192 | 2261 | 2350 | n.a. |
| BG* | 2 | 3 | 5 | 8 | 13 | 128 | 183 | 201 | 225 | 240 | 258 | 273 | 292 | 324 | 360 | 431 | 545 | 587 |
| CZ | n.a. | n.a. | 7004 | 8307 | 9825 | 10802 | 11801 | 12797 | 13614 | 14378 | 15524 | 16430 | 17466 | 18344 | 19546 | 20957 | 22691 | 23598 |
| DE* | 2151 | 2333 | 2450 | 2532 | 2691 | 2689 | 2711 | 2809 | 2886 | 3008 | 2701[b] | 2783 | 2846 | 2901 | 2950 | 3023 | 3103 | 3141 |
| DK | 128342 | 131979 | 142015 | 150099 | 158399 | 167159 | 177487 | 186528 | 196362 | 209742 | 213700 | 217000 | 222600 | 231500 | 242500 | 253500 | 278495 | n.a. |
| EE | 549 | 1066 | 1734 | 2375 | 2985 | 3573 | 4125 | 4440[c] | 4907 | 5510 | 6144 | 6723 | 7287 | 8073 | 9407 | 11336 | 12912 | 12317 |
| ES* | 1028 | 1093 | 1145 | 1197 | 1250 | 1293 | 1323 | 1353 | 1384 | 1416 | 1430 | 1480[d] | 1641 | 1706 | 1760 | 1819 | 1857[e] | 1896 |
| FI | 1587 | 1609 | 1642 | 1716 | 1790 | 1832 | 1898 | 1955 | 2036 | 2133 | 2212 | 2305 | 2397 | 2492 | 2567 | 2653 | 2814 | 2935 |
| FR | 1776 | 1844 | 1911 | 1949 | 1997 | 2031 | 2047 | 2093 | 2138 | 2257 | 2321 | 2376 | 2441 | 2516 | 2580 | 2661 | 2740 | 2800 |
| GR | 590 | 660 | 746 | 835 | 931 | 1028 | 1093 | 1142 | 1211 | 1268 | 1351 | 1427 | 1530 | 1597 | 1688 | 1776 | 1886 | 1973 |
| HU | 22294 | 27173 | 33939 | 39854 | 47491 | 58259 | 68952 | 77187 | 87750 | 103554 | 122481 | 137193 | 145523 | 158343 | 171351 | 185018 | 198741 | 199775 |
| IE | 1344 | 1420 | 1459 | 1489 | 1533 | 1574 | 1646 | 1774 | 1890 | 2041 | 2176 | 2322 | 2430 | 2517 | 2605 | 2718,04[f] | 3422 | 3415 |
| IT | 1316 | 1374 | 1415 | 1467 | 1544 | 1597 | 1641 | 1691 | 1745 | 1804 | 1846 | 1905 | 1970 | 2038 | 2102 | 2151 | 2221 | 2238 |
| LT | n.a. | 166 | 325 | 481 | 618 | 778 | 930 | 987 | 971 | 982 | 1014 | 1073 | 1149 | 1276 | 1496 | 1802 | 2152 | 2052 |
| LU* | 2049 | 2147 | 2295 | 2321 | 2382 | 2461 | 2484 | 2537 | 2638 | 3145[g] | 3204 | 3299 | 3381 | 3511 | 3635 | 3774 | n.a. | n.a. |
| LV | n.a. | n.a. | n.a. | 90 | 99 | 120 | 133 | 141 | 150 | 159 | 173 | 192 | 211 | 246 | 302 | 398 | 479 | 461 |
| NL* | 2.100 | 2.179 | 2.250 | 2.254 | 2.288 | 2.342 | 2.309 | 2.394 | 2.535 | 2.661 | 2.750 | 2.837 | 2.909 | 2.962 | 3.033 | 3.146 | 3.245 | 3.352 |
| NO | 204600 | 211600 | 218200 | 225500 | 235400 | 246800 | 263000 | 277000 | 289600 | 304000 | 320300 | 332000 | 347400 | 360700 | 377900 | 398700 | 422500 | 439800 |
| PL | 294 | 400 | 533 | 703 | 873 | 1062 | 1239 | 1706[h] | 1924 | 2062 | 2133 | 2201 | 2290 | 2380 | 2477 | 2691 | 2944 | 3103 |
| PT* | 399 | 445 | 480 | 494 | 523 | 536 | 567 | 588 | 614 | 653 | 688 | 714,3 | 741 | 767 | 789 | 809 | 846 | 918[i] |
| RO* | 2 | 4 | 13 | 22 | 33 | 53 | 110 | 157 | 226 | 362 | 514 | 652 | 801 | 951 | 1100 | 1232 | 1637 | 1839 |
| SE | 192255 | 198938 | 204011 | 212860 | 225561 | 235995 | 241972 | 253926 | 265311 | 278023 | 289200 | 297600 | 308400 | 316800 | 325200 | 336000 | 352800 | 370440 |
| SI | 213 | 315 | 395 | 467 | 539 | 602 | 660 | 723 | 800 | 895 | 982 | 1057 | 1117 | 1157 | 1213 | 1285 | 1391 | 1439 |
| SK* | 151 | 179 | 209 | 239 | 271 | 306 | 332 | 356 | 379 | 410 | 448 | 477 | 525 | 573 | 623 | 669 | 723 | 745 |
| UK | 1324 | 1378 | 1415 | 1466 | 1527 | 1620 | 1707 | 1772 | 1846 | 1954 | 2050 | 2115 | 2163 | 2241 | 2324 | 2389 | 2493 | 2554 |
| Neb | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1771 | 1810 | 1864 | 1947 | 1969 | 2072 | 2089 | 2150 | 2230 | 2169 |
| New | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 2627 | 2686 | 2702 | 2735 | 2928 | 2956 | 2956 | 3058 | 3154 | 3113 |
| Tex | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 1919 | 1989 | 2043 | 2063 | 2085 | 2079 | 2084 | 2207 | 2287 | 2221 |

Notes: [a] Break in series in 2001; [b] Break in series in 2002; [c] Break in series in 1999 due to change in methodology; [d] Former series replaced by Eurostat data; [e] Values for 2008 and 2009 are indexed values; [f] In 2007 there is discontinuity in the collection of data.; [g] Break in series. National expert only provided data until 2000. From 2001 on, data on gross average wage are extracted from Eurostat.; [h] Break in series due to the inclusion of social security contributions paid by employees in gross amounts; [i] Break in series.

Data for AT, BE, DE, ES, LU and PT that were provided by national expert were converted to euro using Eurostat exchange rate of national currency to euro in 2002. Data for SK were converted to euro using Eurostat exchange rate of national currency to euro in 2009. For BG, data in BGL (prior to 1999) were converted to BGN by dividing by 1000. For RO, data in ROL (prior to 2004) were converted to amounts in RON by dividing by 10 000. Otherwise, national experts provided time series in same currency throughout time. The time series on gross average wages for the Netherlands is extracted from the OECD (OECD StatExtracts, extracted on November 18, 2010) Data for the US refer to median earnings, based on the American Community Survey (extracted on December 10, 2010). Time series for DK, NO and SE represent annual data instead of monthly.

Source: national experts (CSB-MIPI)

Table 10.  Gross minimum wages in national currency, 1992-2009

| | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| BE* | 963 | 993 | 1012 | 1033 | 1053 | 1053 | 1074 | 1074 | 1096 | 1118 | 1140 | 1163 | 1186 | 1210 | 1234 | 1259 | 1310 | 1387 |
| BG* | 1 | 1 | 2 | 2 | 4 | 46 | 51 | 64 | 75 | 87 | 100 | 110 | 120 | 150 | 160 | 180 | 220 | 240 |
| CZ | 2200 | 2200 | 2200 | 2200 | 2500 | 2500 | 2650 | 3250 | 4000 | 5000 | 5700 | 6200 | 6700 | 7185 | 7570 | 8000 | 8000 | 8000 |
| EE | 200 | 300 | 300 | 450 | 680 | 680 | 1100 | 1250 | 1400 | 1600 | 1850 | 2160 | 2480 | 2690 | 3000 | 3600 | 4350 | 4350 |
| ES* | 338 | 352 | 364 | 377 | 390 | 400 | 409 | 416 | 425 | 433 | 442 | 451 | 461 | 523 | 541 | 571 | 600 | 624 |
| FR | 878 | 897 | 916 | 953 | 977 | 1016 | 1036 | 1049 | 1083 | 1126 | 1127 | 1154 | 1215 | 1286 | 1357 | 1254 [a] | 1280 | 1321 |
| GR | 244 | 268 | 304 | 336 | 362 | 393 | 417 | 433 | 451 | 466 | 490 | 520 | 541 | 572 | 608 | 658 | 681 | 740 |
| HU | 8000 | 9000 | 10500 | 12200 | 14500 | 17000 | 19500 | 22500 | 25500 | 40000 | 50000 | 50000 | 53000 | 57000 | 62500 | 65500 | 69000 | 71500 |
| IE | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 945 | 1009 | 1073 | 1073 | 1183 | 1293 | 1403 | 1462 | 1462 |
| LT | n.a. | 41 | 57 | 135 | 240 | 374 | 418 | 430 | 430 | 430 | 430 | 437 | 483 | 525 | 575 | 650 | 800 | 800 |
| LU* | 879 | 901 | 980 | 1058 | 1084 | 1119 | 1147 | 1162 | 1191 | 1259 | 1290 | 1369 | 1403 | 1467 | 1503 | 1570 | 1570 | 1642 |
| LV | 2 | 15 | 23 | 28 | 38 | 38 | 42 | 50 | 50 | 60 | 60 | 70 | 80 | 80 | 90 | 120 | 160 | 180 |
| NL* | 968 | 982 | 982 | 982 | 991 | 1007 | 1033 | 1064 | 1092 | 1154 | 1207 | 1249 | 1265 | 1265 | 1273 | 1301 | 1335 | 1381 |
| PL | 109 | 160 | 215 | 285 | 354 | 426 | 496 | 653 [b] | 695 | 760 | 760 | 800 | 824 | 849 | 899 | 936 | 1126 | 1276 |
| PT* | 222 | 236 | 246 | 259 | 272 | 283 | 294 | 306 | 318 | 334 | 348 | 357 | 357 | 375 | 386 | 403 | 426 | 450 |
| RO* | 1 | 2 | 5 | 7 | 8 | 10 | 25 | 35 | 45 | 100 | 175 | 250 | 280 | 310 | 330 | 390 | 540 | 600 |
| SI | 77 | 104 | 111 | 188 | 223 | 237 | 260 | 285 | 310 | 352 | 395 | 432 | 465 | 490 | 512 | 522 | 567 | 589 |
| SK* | 73 | 73 | 81 | 81 | 90 | 90 | 100 | 119 | 133 | 146 | 163 | 185 | 202 | 216 | 229 | 252 | 269 | 295 |
| UK | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 547 | 562 | 623 | 638 | 684 | 737 | 768 | 813 | 839 | 871 |
| *Neb* | 737 | 737 | 737 | 737 | 823 | 823 | 893 | 893 | 893 | 893 | 893 | 893 | 893 | 893 | 893 | 1014 | 1135 | 1257 |
| *NJ* | 737 | 737 | 875 | 875 | 875 | 875 | 893 | 893 | 893 | 893 | 893 | 893 | 893 | 1066 | 1239 | 1239 | 1239 | 1257 |
| *Tex* | 737 | 737 | 737 | 737 | 823 | 823 | 893 | 893 | 893 | 893 | 893 | 893 | 893 | 893 | 893 | 1014 | 1135 | 1257 |

Notes: [a] The French time series have a break in series in 2007, when the monthly working time diminished from 169 h to 151,67 hours; [b] The time series for Poland has a break in series in 1999, as from that year employee's social security contributions were included in gross minimum wage.

n.a.: not applicable. Neb: Nebraska, NJ: New Jersey, Tex: Texas. No minimum wages in AT, DE, DK, FI, IT, NO, SE. Data for BE, ES, NL, LU and PT that were provided by national expert were converted to euro using Eurostat exchange rate of national currency to euro in 2002. Data for SK were converted to euro using Eurostat exchange rate of national currency to euro in 2009. For BG, data in BGL (prior to 1999) were converted to BGN by dividing by 1000. For RO, data in ROL (prior to 2004) were converted to amounts in RON by dividing by 10 000. Otherwise, national experts provided time series in same currency throughout time.

Source: national experts (CSB-MIPI)

Table 11. Gross social assistance benefit for an able-bodied working-age couple, 1992-2009

| | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| AT* | 467 | 486 | 498 | 512 | 523 | 523 | 530 | 538 | 552 | 560 | 576 | 576 | 593 | 598 | 650 | 660 | 680 | 704 |
| BE* | 615 | 631 | 644 | 664 | 664 | 678 | 691 | 691 | 705 | 719 | 763 | 788 | 794 | 818 | 834 | 859 | 912 | 949 |
| CZ | n.a. | n.a. | n.a. | 3985 | 4634 | 4871 | 5323 | 5323 | 6032 | 6292 | 6292 | 6292 | 6292 | 6301 | 6444 | 4760 | 4760 | 4760 |
| DE* | 444 | 465 | 472 | 474 | 479 | 485 | 490 | 493 | 498 | 499 | 513 | 522 | 524 | 612 | 612 | 621 | 632 | 646 |
| DK | 67716 | 69882 | 133104 | 159648 | 163272 | 163800 | 167952 | 172328 | 177840 | 185064 | 190056 | 196296 | 201816 | 205848 | 209976 | 215016 | 221256 | 228120 |
| EE | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 900 | 900 | 900 | 900 | 900 | 1350 | 1350 | 1620 | 1800 | 1800 |
| ES* | 258 | 258 | 258 | 270 | 270 | 282 | 295 | 306 | 324 | 339 | 347 | 360 | 370 | 384 | 397 | 433 | 451 | 464 |
| FI* | 419 | 419 | 419 | 427 | 427 | 427 | 434 | 438 | 441 | 459 | 471 | 495 | 498 | 500 | 500 | 505 | 514 | 527 |
| FR | 503 | 515 | 525 | 531 | 543 | 550 | 556 | 572 | 584 | 596 | 608 | 618 | 627 | 638 | 650 | 661 | 672 | 682 |
| IE* | 291 | n.a. | n.a. | n.a. | 343 | 354 | 376 | 396 | 418 | 463 | 514 | 540 | 584 | 627 | 718 | 805 | 856 | 885 |
| IT* | 419 | 425 | 432 | 445 | 463 | 476 | 482 | 581 | 606 | 640 | 664[a] | 680 | 697 | 711 | 723 | 738 | 750 | 775 |
| LU* | 877 | 1068 | 1094 | 1159 | 1159 | 1226 | 1226 | 1366 | 1428 | 1502 | 1537 | 1586 | 1623 | 1691 | 1730 | 1802 | 1844 | 2060 |
| NL* | 778 | 799 | 804 | 818 | 829 | 852 | 876 | 907 | 933 | 1001 | 1047 | 1081 | 1103 | 1099 | 1142 | 1176 | 1201 | 1219 |
| NO* | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 80880 | n.a. | 81960 | 83760 | 85200 | 90720 | 96732 | 99828 |
| PT | | | | | 200 | 209 | 220 | 235 | 249 | 262 | 277 | 288 | 304 | 328 | 343 | 354 | 364 | 374 |
| RO* | n.a. | n.a. | n.a. | 8 | 10 | 21 | 24 | 28 | 30 | 30 | 113 | 133 | 148 | 158 | 166 | 173 | 181 | 196 |
| SE* | 98985 | 103309 | 106399 | 108419 | 109756 | 110326 | 110281 | 110420 | 104080 | 104700 | 108695 | 112755 | 115055 | 114625 | 116524 | 119581 | 124517 | 129891 |
| SI | 37 | 108 | 115 | 134 | 144 | 153 | 161 | 170 | 178 | 193 | 254 | 309 | 323 | 333 | 341 | 349 | 362 | 377 |
| SK* | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 197 | 193 | 87 | 92 | 93 | 99 | 101 | 106 |
| UK | 289 | 300 | 311 | 317 | 327 | 335 | 343 | 350 | 356 | 362 | 368 | 372 | 379 | 383 | 391 | 403 | 412 | 438 |
| *Neb* | n.a. | n.a. | 5928 | n.a. | 6072 | n.a. | n.a. | n.a. | n.a. | 6168 | n.a. | n.a. | 6468 | n.a. | n.a. | n.a. | n.a. | 7764 |
| *NJ* | n.a. | n.a. | 5940 | n.a. | 6084 | n.a. | n.a. | n.a. | n.a. | 6276 | n.a. | n.a. | 6576 | n.a. | n.a. | n.a. | n.a. | 6720 |
| *Tex* | n.a. | n.a. | 2472 | n.a. | 2616 | n.a. | n.a. | n.a. | n.a. | 2808 | n.a. | n.a. | 3108 | n.a. | n.a. | n.a. | n.a. | 4404 |

Notes: [a] Break in series in 2002, from then on discretionary rent increase included. Neb: Nebraska, NJ: New Jersey, Tex: Texas. No data available for BG, HU, LT, LV and PL. No general social assistance scheme in GR. Social assistance in PT was only introduced in 1996. Data for AT, BE, DE, ES, LU, NL and PT were converted to euro using Eurostat exchange rate of national currency to euro in 2002. Data for SK were converted to euro using Eurostat exchange rate of national currency to euro in 2009. For RO, data in ROL (prior to 2004) were converted to amounts in RON by dividing by 10 000. Otherwise, national experts provided time series in same currency throughout time. FI and IE: a working-age able-bodied single. IT: estimates of the real amounts of Minimo Vitale awarded in Milan. LU: including housing allowances. NL: net amounts. NO: levels used in municipality of Oslo. Time series for SE partly includes housing allowances. Time series for DK, NO, SE and the US refer to annual data instead of monthly.

Source: national experts (CSB-MIPI)

Table 12.   Gross minimum income guarantee for elderly, couple, 1992-2009

| | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| AT | 657 | 703 | 749 | 771 | 789 | 805 | 809 | 810 | 829 | 842 | 866 | 866 | 971 | 979 | 1004 | 1037 | 1065 | 1099 |
| BE | 619 | 631 | 644 | 665 | 665 | 678 | 691 | 691 | 705 | 753 | 780 | 796 | 839 | 877 | 915 | 1061 | 1103 | 1181 |
| DE | 542 | 568 | 577 | 579 | 479 | 485 | 490 | 493 | 498 | 499 | 513 | 522 | 524 | 612 | 612 | 621 | 632 | 646 |
| DK | 116424 | 116424 | 127608 | 128112 | 131184 | 131616 | 134760 | 138984 | 144192 | 150336 | 154392 | 159336 | 162752 | 167256 | 170592 | 174696 | 179808 | 185376 |
| EE | n.a. | 510 | 600 | 820 | 902 | 1107 | 1312 | 1599 | 1600 | 1600 | 1734 | 1863 | 1980 | 2113 | 2537 | 2847 | 3826 | 4018 |
| ES | 4291 | 4510 | 4668 | 4873 | 5089 | 5222 | 5333 | 5429 | 5758 | 5995 | 6271 | 6397 | 6576 | 6873 | 7177 | 7436 | 7817 | 8005 |
| FI | 711 | 731 | 731 | 745 | 746 | 751 | 764 | 774 | 783 | 814 | 858 | 868 | 873 | 877 | 901 | 927 | 991 | 1036 |
| FR | 9961 | 10275 | 10481 | 10607 | 11133 | 11267 | 11391 | 11619 | 11735 | 11993 | 12257 | 12441 | 12652 | 12905 | 13138 | 13374 | 13521 | 13629 |
| GR | 62 | 88 | 123 | 123 | 147 | 174 | 188 | 195 | 254 | 283 | 312 | 342 | 402 | 426 | 456 | 556 | 660 | 675 |
| HU | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 26560 | 29296 | 32160 | 34880 | 37120 | 39520 | 41280 | 43408 | 45600 | 45600 |
| IE | 325 | n.a. | 344 | 355 | n.a. | 399 | 432 | 470 | n.a. | 580 | n.a. | 624 | 667 | 719 | 788 | 866 | 918 | 948 |
| IT | 508 | 515 | 524 | 539 | 537 | 558 | 568 | 690 | 721 | 768 | 788 | 806 | 825 | 840 | 855 | 872 | 885 | 914 |
| LT | n.a. | n.a. | n.a. | 90 | 93 | 122 | 136 | 138 | 138 | 138 | 143 | 150 | 167 | 186 | 215 | 263 | 334 | 360 |
| LV | n.a. | n.a. | n.a. | n.a. | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 24 | 36 | 42 | 48 | 54 | 54 | 74 |
| NL | 879 | 896 | 883 | 902 | 925 | 971 | 1019 | 1055 | 1087 | 1144 | 1277 | 1313 | 1325 | 1335 | 1373 | 1419 | 1463 | 1527 |
| NO | 93888 | 96128 | 102496 | 106088 | 110368 | 115632 | 132512 | 143288 | 149312 | 156184 | 164369 | 176532 | 187225 | 196454 | 204312 | 215344 | 240864 | 260680 |
| PL | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 902 | 941 | 1061 | 1066 | 1105 | 1125 | 1125 | 1195 | 1195 | 1273 | 1350 |
| PT | 146 | 157 | 166 | 175 | 200 | 209 | 220 | 235 | 249 | 262 | 277 | 288 | 304 | 328 | 700 | 723 | 800 | 827 |
| RO | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | n.a. | 600 |
| SE | 86865 | 89701 | 91788 | 93091 | 94395 | 94656 | 94917 | 95936 | 96463 | 97254 | 99889 | 149340 | 149720 | 150860 | 153140 | 155800 | 162640 | 161120 |
| UK | 89 | 95 | 99 | 101 | 104 | 107 | 109 | 117 | 122 | 141 | 150 | 156 | 161 | 167 | 174 | 182 | 189 | 198 |
| *Neb* | n.a. | n.a. | 9672 | n.a. | 10032 | 10152 | n.a. | n.a. | 10728 | 10728 | n.a. | n.a. | 11148 | n.a. | n.a. | n.a. | n.a. | 13416 |
| *NJ* | n.a. | n.a. | 9564 | n.a. | 10128 | 10344 | n.a. | n.a. | 10944 | 10944 | n.a. | n.a. | 11364 | n.a. | n.a. | n.a. | n.a. | 14328 |
| *Tex* | n.a. | n.a. | 9348 | n.a. | 9924 | 10128 | n.a. | n.a. | 10728 | 10728 | n.a. | n.a. | 11148 | n.a. | n.a. | n.a. | n.a. | 13416 |

Please note that some schemes were radically reformed or replaced by other schemes (e.g. BE, DE, FR, IT, SE, UK). Neb: Nebraska, NJ: New Jersey, Tex: Texas. No data available for BG. Please refer to the table on general social assistance for the minimum income guarantee in CZ, LU, SI, SK and RO. AT: amounts apply to Vienna; DK: annual amounts, ATP included. LT: single (half amount of couple). LV: 2009 is a forecast. NO and SE: annual amounts. PL and RO: minimum pension. UK: weekly amounts. US: annual amounts.

Table 13.   National sources of time series on average wages and on minimum wages

| Country | Source time series on average wages | Source time series on minimum wages |
|---------|-------------------------------------|-------------------------------------|
| AT | HV SV (Hauptverband der österreichischen Sozialversicherungsträger), Statistisches Handbuch der österreichischen Sozialversicherung 2009, Wien 2009. | |
| BE | KOWESZ, CSB | KOWESZ, CSB |
| BG | National Statistical Institute, Bulgarian National Bank | National Social Security Institute |
| CZ | Czech Statistical Office | n.a. |
| DE | Statistisches Bundesambt (2010). Verdienste und Arbeitskoste: Arbeitnehmerverdienste 2009. Wiesbaden: Statistisches Bundesambt | |
| DK | Nososco | |
| EE | Statistics Estonia: http://pub.stat.ee/px-web.2001/Dialog/varval.asp?ma=PA91&ti=KESKMINE+BRUTOKUUPALK+P%D5HITEGEVU SALA+J%C4RGI+%281992%2D2001%29&path=../Database/Majandus/12Palk_ja_toojeukulu/01Palk/02Aastastatistika/&lang=2 | National legislation. |
| ES | Before 2003: Encuesta sobre la Distribución Salarial en España, Instituto Nacional de Estadistica<br>From 2003 on: Eurostat | Before 2003: national expert previous round<br>From 2003 on: REICAZ: real e illustre colegio de abogados de Zaragoza: http://www.reicaz.es/normaspr/tablasdi/tblsalmi.htm |
| FI | Index of Wage and Salary 2009, 3rd quarter. Statistics Finland: wages, Salaries and labour Costs 2009. | |
| FR | Déclarations Annuelles des Données Sociales – DADS | Before 2003: national expert previous round<br>From 2003 on: INSEE: http://www.insee.fr/fr/themes/tableau.asp?ref_id=NATnon04145 |
| GR | Labour Institute, Bank of Greece | n.a. |
| HU | AFSZ (National Employment Service) | n.a. |
| IE | Central Statistic office: Industrial Earnings and Hours Worked Survey until 2007, from 2007 on: Central Statistical Office: Earnings and Labour Costs survey | Eurostat |
| IT | ISTAT ("Italian National Institute of Statistics") National Accounts data for 1970-2008 (ISTAT, Conti economici nazionali. Periodo di riferimento: anni 1970-2008. http://www.istat.it/dati/dataset/20090421_00/) | |
| LT | Statistic Lithuania | n.a. |
| LU | Before 2001: Inspection Générale de la Sécurité Sociale<br>From 2001 on: Eurostat data | Before2003 :: Ministère du Travail. From 2003 on : http://www.secu.lu/legis/ParamSoc/paramsocnouv/salmingual.htm |
| LV | Central Statistical Bureau of Latvia: http://data.csb.gov.lv/Dialog/varval.asp?ma=DS0100a&ti=DS10.+AVERAGE+MONTHLY+WA GES+AND+SALARIES+BY+REGION+OF+LATVIA++&path=../DATABASEEN/Iedzsoc/Annual %20statistical%20data/Wages%20and%20salaries/&lang=1 | Central Statistical Bureau of Latvia: http://data.csb.gov.lv/Dialog/Saveshow.asp |
| NL | OECD stat extracts, annual average wages, extracted: 18 11 2010 | From 2003 on: Eurostat |
| NO | Statistics Norway: http://www.ssb.no/histstat/aarbok/ht-0901-lonn.html | |
| PL | Wage Survey | n.a. |
| PT | 2001-2008 from Quadros de Pessoal, GEP/Ministério do Trabalho; 2009 figure from 2009 Inquérito aos Ganhos, GEP/Ministério do Trabalho | From 2001 on: http://www.dgert.mtss.gov.pt/Trabalho/rendimentos/evolucao_smn.htm |

Table 13. National sources of time series on average wages and on minimum wages - continued

| Country | Source time series on average wages | Source time series on minimum wages |
|---|---|---|
| RO | Ministry of Labour, Family and Social Protection (2010): Statistical report on average salary earnings between 1990-2010, http://www.mmuncii.ro/pub/imagemanager/images/file/Statistica/Statistici%20lunare/s01.pdf (April 2010) | The Ministry of Labour, Family and Social Protection (2009): Statistical report on the minimum gross wage for 1990-1999 http://www.mmuncii.ro/pub/imagemanager/images/file/Statistica/Statistici%20luna re/s1b.pdf (April 2010) and Statistical report on the minimum gross wage for 1999-2010, http://www.mmuncii.ro/pub/imagemanager/images/file/Statistica/Statistici%20luna re/s1.pdf (April 2010) |
| SE | SCB | |
| SI | Statistical Office of the Republic of Slovenia: Statistical Yearbooks (http://www.stat.si/eng/pub_letopis_prva.asp). | n.a. |
| SK | SLOVSTAT – database of the Statistical Office of the Slovak Republic. Available at: http://www.statistics.sk/pls/elisw/MetaInfo.explorer?obj=40&cmd=go&s=1002&sso=2&so=15 | Slovak legislation (1991-2009) |
| UK | Annual survey of housing and earnings: http://www.statistics.gov.uk/pdfdir/ashe1109.pdf | From 2003 on: http://www.hmrc.gov.uk/nmw/archived_rates.htm |
| US | US Census: American Community Survey | n.a. |

Note: shaded cells refer to countries not having a minimum wage.

Table 14. Net disposable income of family types in income case 1: double-earner family, both workers working at average wage in national currency, 2009

|  | couple | couple with two children |
|---|---|---|
| AT | 3.210 | 3.604 |
| BE | 3.601 | 3.971 |
| BG | 909 | 991 |
| CZ | 39.680 | 41.460 |
| DE | 3.924 | 4.269 |
| DK | 36.660 | 38.423 |
| EE | 19.528 | 20.576 |
| ES | 2.469 | 2.560 |
| FI | 4.226 | 4.436 |
| FR | 3.860 | 4.137 |
| GR | 2.420 | 2.533 |
| HU | 177.971 | 204.571 |
| IE | 4.734 | 5.066 |
| IT | 3.092 | 3.074 |
| LT | 3.355 | 3.504 |
| LU | n.a. | n.a. |
| LV | 679 | 726 |
| NL | 4.820 | 5.125 |
| NO | 52.053 | 53.993 |
| PL | 4.444 | 4.442 |
| PT | 1.322 | 1.359 |
| RO | 2.683 | 2.785 |
| SE | 42.887 | 45.087 |
| SI | 1.910 | 2.027 |
| SK | 1.220 | 1.301 |
| UK | 3.637 | 3.782 |
| US Neb | 3.380 | 3.653 |
| US NJ | 4.719 | 5.239 |
| US Tex | 3.555 | 3.828 |

Table 15. Net disposable income of family types in income case 2: one-earner family, worker working at average wage in national currency, 2009

| | single | couple | couple with 2 children | lone parent with two children | lone parent with 1 child |
|---|---|---|---|---|---|
| AT | 1.920 | 1.951 | 2.436 | 2.371 | 2.077 |
| BE | 1.924 | 2.231 | 2.602 | 2.329 | 1.939 |
| BG | 494 | 492 | 575 | 492 | 406 |
| CZ | 22.448 | 24.518 | 26.298 | 24.228 | 20.838 |
| DE | 2.131 | 24.518 | 26.298 | 24.228 | 20.838 |
| DK | 18.377 | 20.377 | 22.140 | 22.532 | n.a. |
| EE | 11.322 | 11.782 | 12.830 | 12.970 | 12.235 |
| ES | 1.466 | 1.534 | 1.612 | 1.587 | 1.546 |
| FI | 2.285 | 2.285 | 2.495 | 2.861 | 2.334 |
| FR | 2.079 | 2.193 | 2.501 | 2.494 | 2.264 |
| GR | 1.299 | 1.334 | 1.409 | 1.087 | 1.069 |
| HU | 95.177 | 95.177 | 125.592 | 128.592 | 101.822 |
| IE | 2.795 | 2.953 | 3.285 | 3.350 | 2.279 |
| IT | 1.701 | 1.758 | 1.949 | 1.893 | 1.708 |
| LT | 1.809 | 1.809 | 1.958 | 1.958 | 1.921 |
| LU | n.a. | n.a. | n.a. | n.a. | n.a. |
| LV | 335 | 350 | 396 | 382 | 277 |
| NL | 2.443 | 2.611 | 2.788 | 2.662 | 2.250 |
| NO | 26.026 | 26.978 | 28.918 | 29.888 | 27.419 |
| PL | 2.434 | 2.433 | 2.616 | 2.616 | 2.276 |
| PT | 796 | 810 | 871 | 854 | 645 |
| RO | 1.342 | 1.346 | 1.499 | 1.439 | 1.258 |
| SE | 23.144 | 29.207 | 31.407 | 27.890 | 24.541 |
| SI | 956 | 1.006 | 1.274 | 1.182 | 858 |
| SK | 687 | 742 | 823 | 768 | 728 |
| UK | 1.996 | 1.974 | 2.164 | 2.185 | 1.686 |
| US Neb | 1.950 | 2.112 | 2.456 | 2.455 | 1.811 |
| US NJ | 2.877 | 3.057 | 3.355 | 3.260 | 2.417 |
| US Tex | 1.975 | 2.107 | 2.468 | 2.468 | 1.825 |

Table 16.  Net disposable income of family types in income case 3: one-earner family, worker working at minimum wage, in national currency, 2009

|  | single | couple | couple with 2 children | lone parent with two children | lone parent with 1 child |
|---|---|---|---|---|---|
| AT | 1.087 | 1.220 | 1.783 | 1.691 | 1.790 |
| BE | 1.224 | 1.436 | 1.819 | 1.724 | 1.346 |
| BG | 192 | 192 | 296 | 296 | 187 |
| CZ | 7.987 | 10.255 | 16.558 | 14.248 | 7.935 |
| DE | 1.253 | 1.429 | 1.761 | 1.615 | 1.270 |
| DK | 10.125 | 11.125 | 12.888 | 14.280 | n.a. |
| EE | 3.759 | 4.151 | 4.727 | 5.339 | 4.672 |
| ES | 570 | 570 | 619 | 619 | 665 |
| FI | 1.319 | 1.319 | 1.615 | 1.938 | 1.526 |
| FR [a] | (1.220) | (1.448) | (1.983) | (1.855) | (1.643) |
| GR | 910 | 941 | 1.047 | 985 | 944 |
| HU | 57.815 | 63.585 | 98.695 | 94.175 | 68.678 |
| IE | 1.373 | 1.373 | 1.867 | 1.867 | 742 |
| IT | 956 | 1.125 | 1.551 | 1.487 | 1.285 |
| LT | 679 | 679 | 828 | 828 | 791 |
| LU | 1.446 | 2.198 | 3.127 | 2.493 | 1.903 |
| LV | 257 | 268 | 292 | 292 | 199 |
| NL | 1.230 | 1.442 | 1.754 | 1.834 | 1.570 |
| NO | 14.321 | 15.273 | 17.213 | 20.185 | 16.715 |
| PL | 944 | 962 | 1.225 | 1.177 | 861 |
| PT | 389 | 384 | 433 | 434 | 347 |
| RO | 457 | 468 | 637 | 648 | 450 |
| SE [a] | 12.274 (12.274) | 18.337 (18.337) | 20.537 (22.613) | 18.157 (19.772) | 15.271 (16.297) |
| SI | 454 | 561 | 886 | 836 | 533 |
| SK | 256 | 256 | 337 | 337 | 296 |
| UK | 760 | 894 | 1.457 | 1.478 | 1.109 |
| US Neb | 1.047 | 1.113 | 1.539 | 1.530 | 939 |
| US NJ | 1.136 | 1.192 | 1.719 | 1.718 | 821 |
| US Tex | 1.069 | 1.124 | 1.508 | 1.508 | 897 |

Notes: [a] Data between brackets refer to net disposable income including housing allowances based on 20% of average wage (FR) or based on average housing costs (SE), instead of EU-SILC based-housing costs.

Table 17. Net disposable income of family types in income case 4: able-bodied working-age household receiving social assistance, in national currency, 2009

| | single | couple | couple with 2 children | lone parent with two children | lone parent with 1 child |
|---|---|---|---|---|---|
| AT | 715 | 965 | 1743 | 1401 | 1009 |
| BE | 721 | 963 | 1407 | 1407 | 1121 |
| BG | 71 | 109 | 240 | 219 | 160 |
| CZ | 5932 | 8119 | 12642 | 10332 | 6109 |
| DE[a] | 548 (567) | 829 (965) | 1454 (1646) | 1263 (1421) | 925 (1055) |
| DK | 8483 | 14800 | 22381 | 11732 | n.a. |
| EE | 1623 | 2423 | 4023 | 3423 | 2623 |
| ES | 405 | 458 | 586 | 613 | 540 |
| FI | 701 | 994 | 1620 | 1364 | 1003 |
| FR[a] | (771) | (1017) | (1463) | (1335) | (1177) |
| HU | 32044 | 61556 | 92020 | 73125 | 51233 |
| IE | 1235 | 1472 | 2029 | 1792 | 1513 |
| IT [b] | 533 | 769 | 1148 | 1002 | 804 |
| LT | 315 | 630 | 1270 | 955 | 640 |
| LU | 1371 | 1973 | 2911 | 2385 | 1838 |
| LV | 147 | 184 | 263 | 239 | 222 |
| NL | 948 | 1335 | 1646 | 1517 | 1392 |
| NO | 5300 | 8319 | 13032 | 13653 | 12968 |
| PL[c] | 465 | 688 | 1388 | 1037 | 689 |
| PT | 176 | 357 | 594 | 427 | 299 |
| RO | 104 | 188 | 414 | 372 | 284 |
| SE [a] | 6676 (7188) | 9046 (10824) | 15264 (18254) | 12824 (14439) | 9281 (11559) |
| SI | 292 | 479 | 886 | 798 | 578 |
| SK | 113 | 189 | 284 | 241 | 218 |
| UK | 251 | 410 | 973 | 814 | 570 |
| US Neb | 325 | 547 | 967 | 754 | 542 |
| US NJ | 142 | 378 | 940 | 734 | 472 |
| US Tex | 103 | 270 | 857 | 655 | 478 |

Notes: [a] Data between brackets refer to net disposable income including housing allowances based on 20% of average wage (FR), based on average housing costs (SE) or based on average maximal allowable housing costs (DE), instead of EU-SILC based- housing costs; [b] Data for Italy refer to estimates of real values; [c] In Poland the central and local government both finance 50% of the minimum income guarantee. However, local governments may withhold their part of the benefit, meaning that the social assistance beneficiaries only receive 50% of the minimum income guarantee. The CSB-MIPI estimates assume that social assistance recipients fully receive the minimum income guarantee.

Table 18.  Net disposable income of family types in income case 5: guaranteed income for elderly, in national currency, 2009

|  | single | couple |
|---|---|---|
| AT | 974 | 1.401 |
| BE | 888 | 1.186 |
| BG | 152 | 244 |
| CZ | 5.932 | 8.119 |
| DE [a] | 351 (567) | 632 (965) |
| DK | 8.998 | 13.612 |
| EE | 1.996 | 3.993 |
| ES | 757 | 990 |
| FI | 785 | 1.220 |
| FR [a] | (1.035) | (1.572) |
| HU | 32.013 | 51.978 |
| IE | 948 | 1.575 |
| IT | 453 | 908 |
| LT | 324 | 648 |
| LU | 1.391 | 1.973 |
| LV | 155 | 200 |
| NL | 1.067 | 1.478 |
| NO | 13.542 | 23.503 |
| PL | 580 | 1.169 |
| PT | 405 | 813 |
| RO | 346 | 692 |
| SE [a] | 8.932 (9.408) | 13.452 (15.106) |
| SI | 292 | 479 |
| SK | 0 | 0 |
| UK | 536 | 834 |
| US Neb | 639 | 1.018 |
| US NJ | 665 | 1.012 |
| US Tex | 642 | 1.021 |

Notes: [a] Data between brackets refer to net disposable income including housing allowances based on 20% of average wage (FR), based on average housing costs (SE) or based on average maximal allowable housing costs (DE), instead of EU-SILC based- housing costs.

## References

Anne, D., & L'Horty, Y. (2008). *Les effets du revenu de Solidarité active (rSa) sur les gains du retour à l'emploi* (Document de recherche No. 08-11). Evry: Centre d'étude des politiques économiques de l'université d' Evry.

Arriba, A., & Ibáñez, Z. (2002). *Minimum income guarantee and social assistance* (CSIC Working paper No. 02-12). Madrid: Unidad de Políticas Comparadas (CSIC).

Atkinson, A. B., Cantillon, B., Marlier, E., & Nolan, B. (2002). *Social Indicators: the EU and Social Inclusion*. Oxford: Oxford University Press.

Bargain, O., Immervoll, H., & Viitamäki, H. (2010). *No claim, no pain: measuring the non-take-up of social assistance using register data* (IZA Discussion Paper No. 5355). Bonn: IZA.

Behrendt, C. (2002). *At the margins of the welfare state*. Aldershot: Ashgate.

Bradshaw, J., & Finch, N. (2002). *A comparison of child benefit packages in 22 countries*. Norwich: UK Department for work and pensions.

Bradshaw, J., & Mayhew, E. (2006). Family Benefit Packages. In J. Bradshaw & A. Hatland (Eds.), *Social Policy, Employment and Family Change in Comparative Perspective* (pp. 97-117). Cheltenham (UK)/ Northampton (USA): Edward Elgar.

Burton, P., Phipps, S., & Woolley, F. (2007). Inequality within the Household Reconsidered. In S. P. Jenkins & J. Micklewright (Eds.), *Inequality and Poverty Re-Examined* (pp. 103-125). Oxford: Oxford University Press.

Cantillon, B., Van Mechelen, N., Marx, I., & Van den Bosch, K. (2004). *De evolutie van de bodembescherming in 15 Europese landen van 1992 tot 2001* (No. 7/2004). Antwerp: Herman Deleeck Centre for Social Policy.

Cantillon, B., Van Mechelen, N., & Schulte, B. (2008). Minimum Income Policies in Old and New Member States. In J. Alber, T. Fahey & C. Saraceno (Eds.), *Handbook of Quality of Life in the Enlarged European Union* (pp. 218-234). London: Routledge.

Deaton, A. (2006). *Purchasing power parity exchange rates for the poor: using household surveys to construct PPPs.*: Princeton University.

Deleeck, H., Van den Bosch, K., & De Lathouwer, L. (Eds.). (1992). *Poverty and the Adequacy of Social Security in the EC. A Comparative Analysis*. Aldershot: Avebury.

Eardley, T., Bradshaw, J., Ditch, J., Gough, I., & Whiteford, P. (1996). *Social assistance in OECD countries: synthesis report*. London.

European Commission, & OECD. (2006). *Eurostat-OECD Methodological Manual on Purchasing Power Parities*. Paris: OECD, www.oecd.org/std/ppp/manual.

Eurostat. (2010). Statistics by theme - Labour market. Retrieved 24.8.2010, from http://epp.eurostat.ec.europa.eu/portal/page/portal/labour_market/earnings/main_tables

Fink, M. (2008). *Österreich. Mindesteinkommenssysteme. Eine Analyse der nationalen Politikmaßnahmen.*

Fuchs, M. (2009). *Social assistance - no, thanks? The non-take-up phenomenon and its patterns in Austria, Germany and Finland after 2000*. Vienna: European Centre.

Goedemé, T. (2010). *The standard error of estimates based on EU-SILC. An exploration through the Europe 2020 poverty indicators*. Antwerp: Herman Deleeck Centre for Social Policy, University of Antwerp.

Goedemé, T., & Van Lancker, W. (2009). A Universal Basic Pension for Europe's Elderly: Options and Pitfalls. *Basic Income Studies, 4*(1), Article 5, 26p.

Hernanz, V., Malherbet, F., & Pellizzari, M. (2004). *Take-Up of Welfare Benefits in OECD Countries: A Review of the Evidence* (No. No. 17): OECD Publishing.

Immervoll, H. (2009). *Minimum-Income Benefits in OECD Countries: Policy Design, Effectiveness and Challenges* (No. IZA Discussion Paper No. 4627): IZA.

Immervoll, H., & O'Donoghue, C. (2002). *Welfare Benefits and Work Incentives. An Analysis of the Distribution of Net Replacement Rates in Europe using EUROMOD, a Multi-Country Microsimulation Model* (Euromod Working paper No. EM 4/01): EUROMOD at the Institute for Social and Economic Research.

International Labour Organization. (2010). Laborsta – Statistics by topics – Wages. Retrieved 24.8.2010, from http://laborsta.ilo.org/STP/guest

Lien, S., & Pettersen, P. A. (2004). Local Government and Welfare Generosity: Municipality Spending on Social Welfare. *Scandinavian Political Studies, 27*(4), 343-365.

Milanovic, B. (2005). *Worlds Apart. Measuring International and Global Inequality*. Princeton and Oxford: Princeton University Press.

Minas, R., & Øverbye, E. (2010). The Territorial Organization of Social Assistance Schemes in Europe. In Y. Kazepov (Ed.), *Rescaling Social Policies: Towards Multilevel Governance in Europe* (pp. 31-67). Surrey: Ashgate.

Nelson, K. (2007). *Introducing SaMip: The social assistance and minimum income protection interim dataset* (S-WpPEc No. 11/2007): Swedish institute for social research.

Nelson, K. (2009). Social assistance and minimum income benefits in old and new EU democracies. *International Journal of Social Welfare, 9999*(9999).

Nelson, K. (2010). Social assistance and minimum income benefits in old and new EU democracies. *International Journal of Social Welfare, 19*, 367-378.

OECD. (2002). *Benefits and wages*. Paris: OECD.

OECD. (2004). *Benefits and wages. OECD indicators.* Paris: OECD.

OECD. (2006). *Employment Outlook 2006. Boosting Jobs and Incomes*. Paris: OECD.

OECD. (2009). *Employment outlook: tackling the jobs crisis*. Paris: OECD.

OECD. (2010a). Benefits and Wages: Country specific files. Retrieved March 22, 2010, from http://www.oecd.org/document/29/0,3343,en_2649_34637_396186 53_1_1_1_1,00.html.

OECD. (2010b). OECD Stat.Extracts – Labour. Retrieved 26.8.2010, from http://stats.oecd.org/index.aspx

Rybkowska, A., & Schneider, M. (2011). *Housing conditions in Europe in 2009* (No. 4/2011): Eurostat.

Social Protection Committee. (2006). *Minimum Income Provision for Older People and their Contribution to Adequacy in Retirement*.

The Canberra Group. (2001). *Expert Group on Household Income Statistics. Final Report and Recommendations*. Ottawa.

United Nations Economic Commission for Europe. (2010). Economic Statistics- Labour force and wages. Retrieved 26.8.2010, from http://w3.unece.org/pxweb/Dialog/varval.asp?ma=60_MECCWages Y_r&ti=Gross+Average+Monthly+Wages++by+Indicator%2C+Coun try+and+Year&path=../DATABASE/Stat/20-ME/3-MELF/&lang=1

Van Mechelen, N., Verbist, G., & Van den Bosch, K. (2004). *Evaluating Welfare State Efforts and the Model Family Approach: Problems and Promises*. Paper presented at the 2004 ESPAnet conference.

Vaughan-Whitehead, D. (2010). *The minimum wage revisited in the enlarged EU*. Cheltenham: Edward Elgar.

Verma, V., Betti, G., & Gagliardi, F. (2010). *An assessment of survey errors in EU-SILC*. Luxembourg: Eurostat.