

Can ‘New Welfare’ address poverty through more and better jobs?

Tables and Figures

Table 1: At risk of poverty 2001-2011, selected EU countries (Eurostat)

	<i>Before transfers</i>			<i>After transfers</i>		
	<i>2001</i>	<i>2007</i>	<i>2011</i>	<i>2001</i>	<i>2007</i>	<i>2011</i>
Germany	21	24.8	25.1	11	15.2	15.8
Spain	23	23.9	29.8	19	19.7	21.8
France	26	26.4	24.7	13	13.1	14.0
Italy	22	24.1	24.4	19	19.8	19.6
Poland	31	26.5	24.1	16	17.3	17.7
Sweden	17	27.5	27.9	9	10.5	14.0
UK	28	29.7	30.5	18	18.6	16.2

Note: 60% median income threshold; data for equivalised persons; total population.

Table 2: Trends in wages as a proportion of national income, selected countries.

	<i>Total wages as % GVA</i>		
	<i>1970</i>	<i>2007</i>	<i>% change</i>
US	57	49	-7.4
Australia	46	39	-7.6
Canada	55	48	-6.8
France	43	42	-0.5
UK	59	50	-9.2
Germany	50	45	-5.7
Japan	46	44	-2.4
Finland	49	45	-3.6
Denmark	56	60	+4.3
Sweden	48	46	-1.3

Calculated from Bailey, Coward and Whittaker 2011, Table 4.

Table 3: Employment rates, poverty and new welfare policies, 2001-7 (Pearson correlations)

Lifelong	Employment		Poverty	
Employment				
Parental leave	0.44	***	0.08	
ALMP	-0.10		0.34	**
Human Capital				
Lifelong learning	0.42	***	0.14	
Non-Discrimination				
Human rights index	0.42	***	0.22	*
Women's economic rights index	0.08		0.18	^
Labour market institutions				
Contractual rights	-0.16		-0.41	***
Union Membership	0.38	***	0.16	
Employment ratio			-0.14	

N=119;

^ p<0.06; * p<0.05; ** p<0.01; *** p<0.001

Table 4: New welfare policies, institutions and employment rates, Prais Winsten regression with Panel Corrected Standard Errors (PCSE), 2001-2007

	β	PCSE	
Constant	56.56	(3.29)	***
Employment			
Parental leave _(t-1)	5.22	(2.37)	*
ALMP _(t-1)	-3.66	(0.92)	***
Human Capital			
Lifelong learning _(t-1)	0.28	(0.08)	**
Non-Discrimination			
Human rights index _(t-1)	0.32	(0.23)	
Women's economic rights index _(t-1)	-0.55	(0.24)	*
Labour market institutions			
Contractual rights _(t-1)	1.99	(0.62)	**
Union Membership _(t-1)	0.08	(0.03)	**
N	118		
Wald χ^2 (df)	95.42 (7)		***
Rho	0.8268		
R²	0.9356		

Note: Prais Winsten regression with AR1 autocorrelation parameter and panel corrected standard errors (PCSE). Model estimated with Stata SE 11.1 with xtpcse command with AR1 option.

*p<0.05; **p<0.01; ***p<0.001

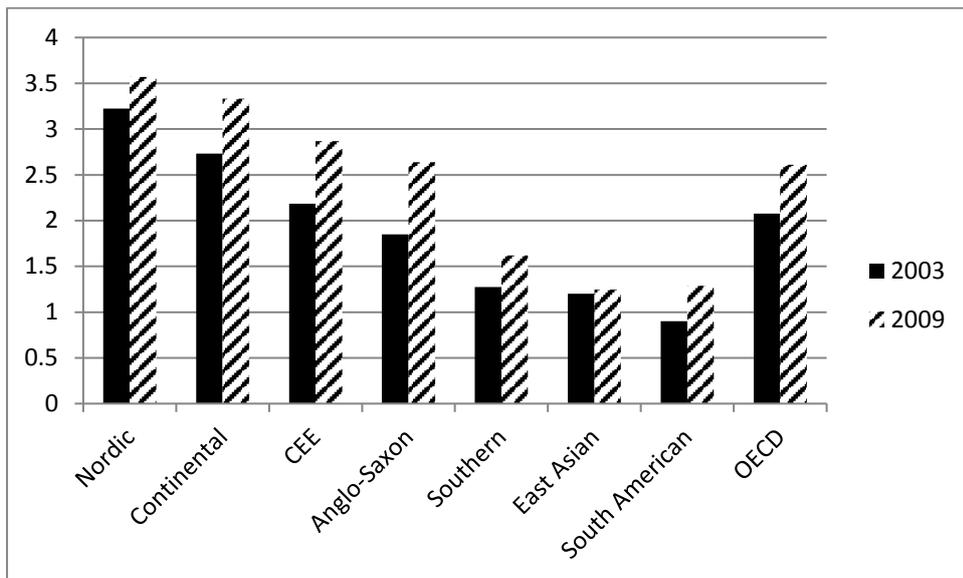
Table 5: New welfare policies, institutions and poverty, Prais Winsten regression with Panel Corrected Standard Errors (PCSE), 2001-2007

	Model 1		Model 2	
	β	PCSE	β	PCSE
Constant	29.53	(2.96) ***	32.20	(3.32) ***
Employment				
Parental leave _(t-1)	-0.67	(2.10)	-0.33	(2.11)
ALMP _(t-1)	2.93	(0.35) ***	2.74	(0.32) ***
Human Capital				
Lifelong learning _(t-1)	-0.10	(0.04) *	-0.09	(0.04) *
Non-Discrimination				
Human rights index _(t-1)	0.25	(0.12) *	0.30	(0.12) *
Women's economic rights index _(t-1)	0.26	(0.36)	0.26	(0.37)
Labour market institutions				
Contractual rights _(t-1)	-3.38	(0.73) ***	-3.39	(0.67) ***
Union Membership _(t-1)	0.01	(0.02)	0.01	(0.02)
Employment ratio _(t-1)			-0.05	(0.02) **
N	118		118	
Wald χ^2 (df)	117.89 (7) ***		156.81 (8) ***	
Rho	0.7287		0.6884	
R ²	0.8826		0.8757	

Note: Prais Winsten regression with AR1 autocorrelation parameter and panel corrected standard errors (PCSE). Model estimated with Stata SE 11.1 with xtpcse command with AR1 option.

*p<0.05; **p<0.01; ***p<0.001

Figure 1: Family spending (benefits, services and tax breaks) 2003 – 2009 OECD



Nordic: Denmark, Finland, Norway, Sweden

Southern European: Greece, Portugal, Spain, Italy

Continental: Austria, Belgium, France, Germany, Netherlands,

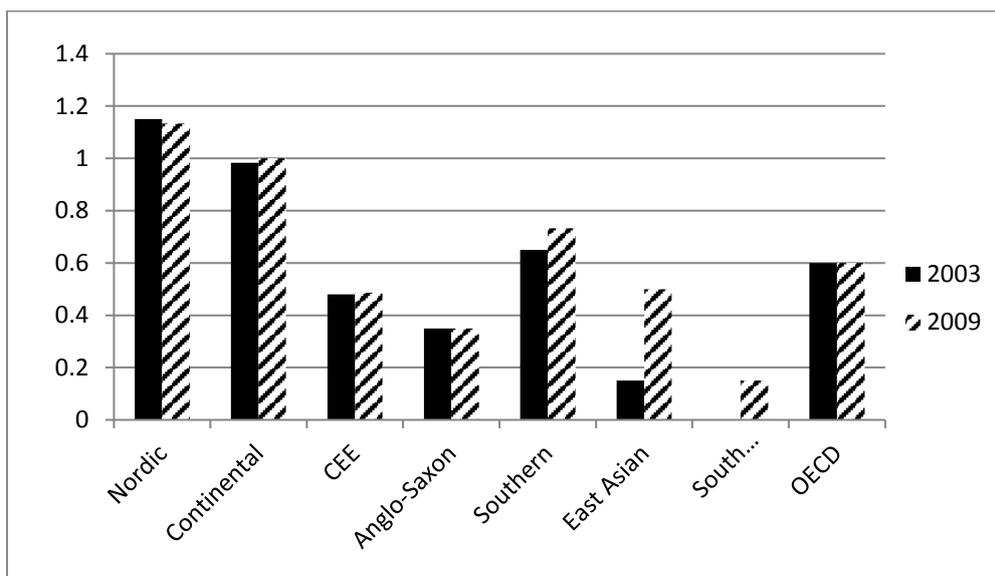
Anglo-Saxon: Australia, Canada, New Zealand, UK, US

CEE: Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Slovenia, Slovakia

East Asian: South Korea, Japan

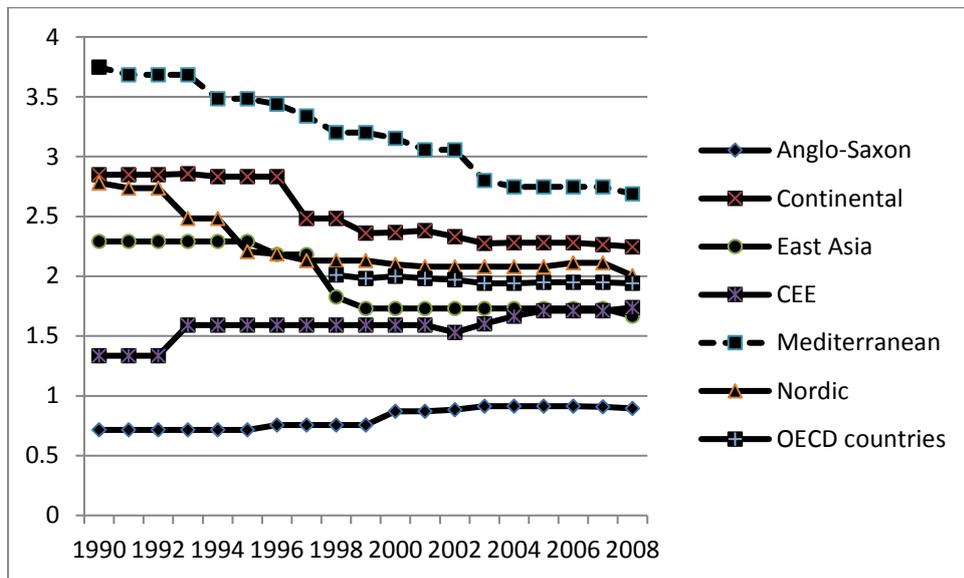
South American: Chile, Mexico

Figure 2: ALMP spending (job creation, training, insertion etc.) 2003-2009 OECD



Countries: as Figure 1

Figure 3: Employment Protection Index scores, formal labour market: OECD 1990-2008



Countries: as Figure 1

Appendix

	Measure	Mean	Standard deviation
Policies			
<i>Employment</i>			
Parental leave	Public/private mandatory spend on maternal/parental leave % GDP (OECD)	.32	.22
ALMP (training component)	Public/private mandatory spend on ALMP % GDP (OECD)	.78	.43
<i>Human capital</i>			
Lifelong learning	Lifelong learning participation 25-49 (% age-group: Eurostat)	14.61	9.01
<i>Non-discrimination</i>			
Human rights index	Additive index scored 1 to 14, reflecting individuals' freedom of movement, speech, assembly, and association, and workers' rights, electoral self-determination, and freedom of religion (CIRI)	12.72	1.51
Women's economic rights index	Additive index scored 0-3 reflecting women's equal employment rights, job security and pay differential (CIRI)	2.16	0.47
<i>Labour market institutions</i>			
Contractual rights	Employment Protection Index version II (OECD)	2.64	0.52
Union membership	Union membership % wage/salary earners in employment(Visser 2011)	41.33	23.21
Policy goals			
Social inclusion	Poverty before tax and transfers, 60% median (Eurostat)	25.56	3.45
Higher employment ratio	Civilian employment % of pop 15-64 (OECD)	70.45	9.82

Note: missing data interpolated. The data are mainly derived from CPDS 1ⁱ and the non-discrimination indices from CIRIⁱⁱ.

ⁱ Klaus Armingeon, David Weisstanner, Sarah Engler, Panajotis Potolidis, Marlène Gerber. 2012. *Comparative Political Data Set I 1960-2010*. Bern: Institute of Political Science, University of Bern.

ⁱⁱ David L. Cingranelli, David L. Richards, and K. Chad Clay. 2013. *The Cingranelli-Richards (CIRI) Human Rights Dataset*.