

Child Poverty in Georgia

Monitoring trends in child poverty (2009-2011-2013)



unite for children

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Georgia Welfare Monitoring Survey 2009, 2011 and 2013

ABOUT THE STUDY

- ❖ National survey across Georgia - (2009 - 4800, 2011 – 4200 and 2013 - 3800 households)
- ❖ In 2013 re-visit same households interviewed in 2009 and 2011
- ❖ Focus:
Income, Expenditure, Multidimensional poverty, Social Services & Social Protection, Health, WASH, Education, Child wellbeing

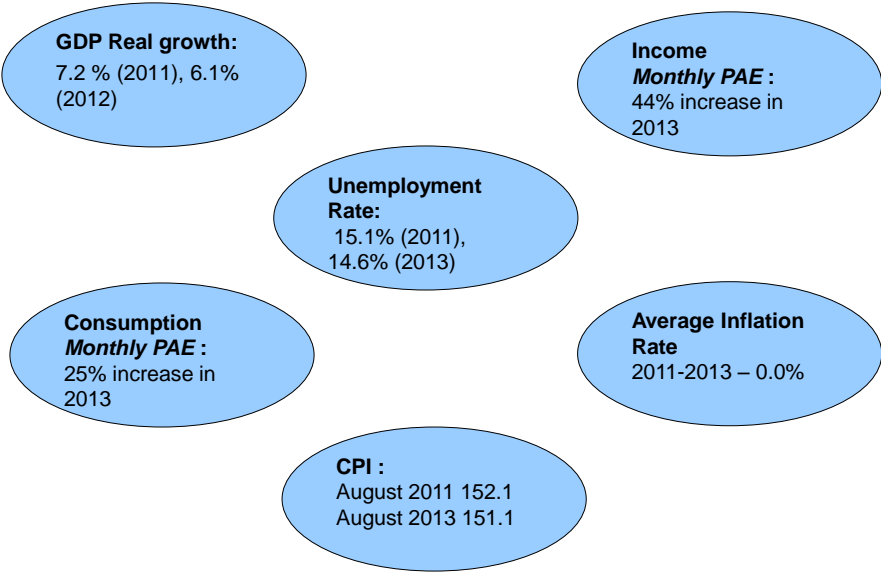
1. Trends in Poverty and Child Poverty

2. Social Protection and Social Transfers

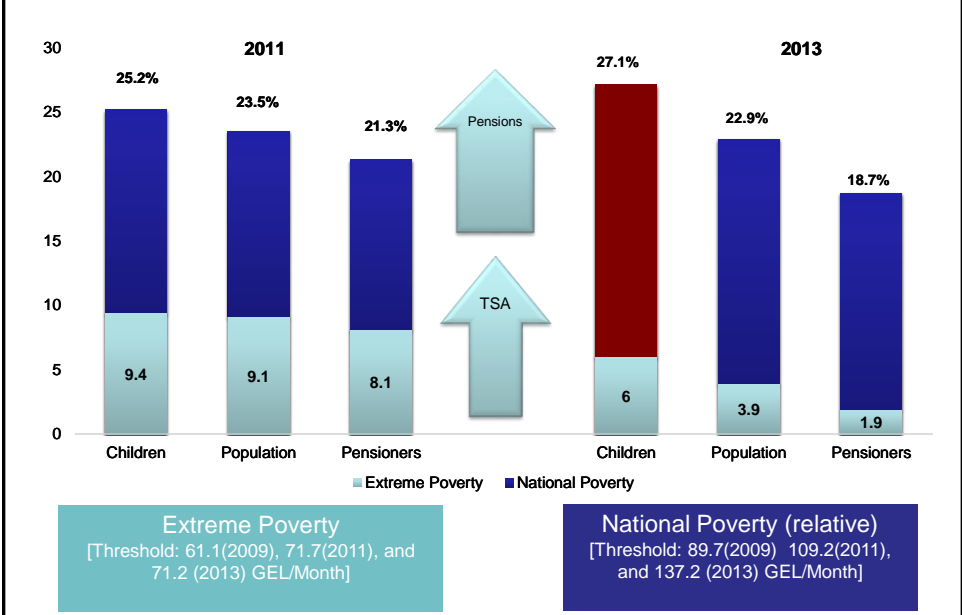
3. Policy options



Basic Indicators

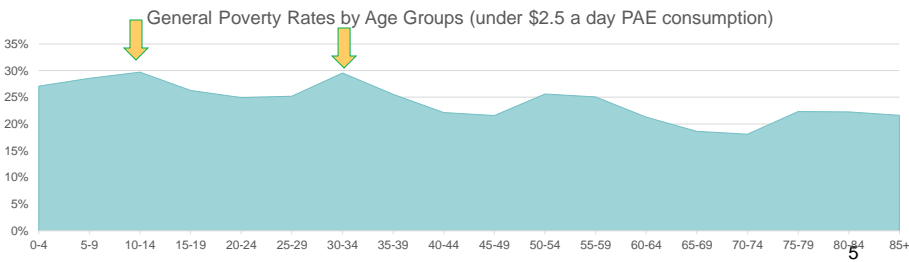
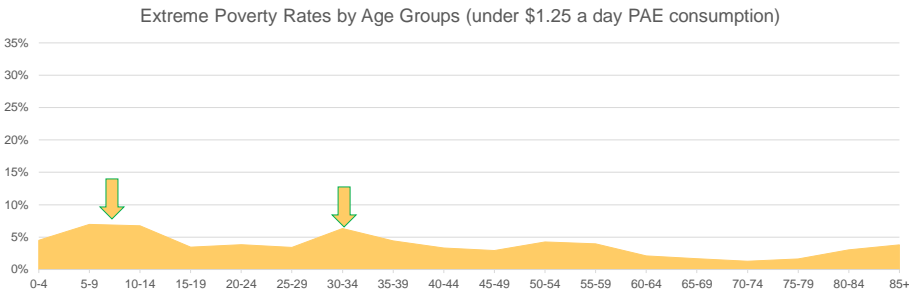


Positive Poverty Trend from 2011 to 2013



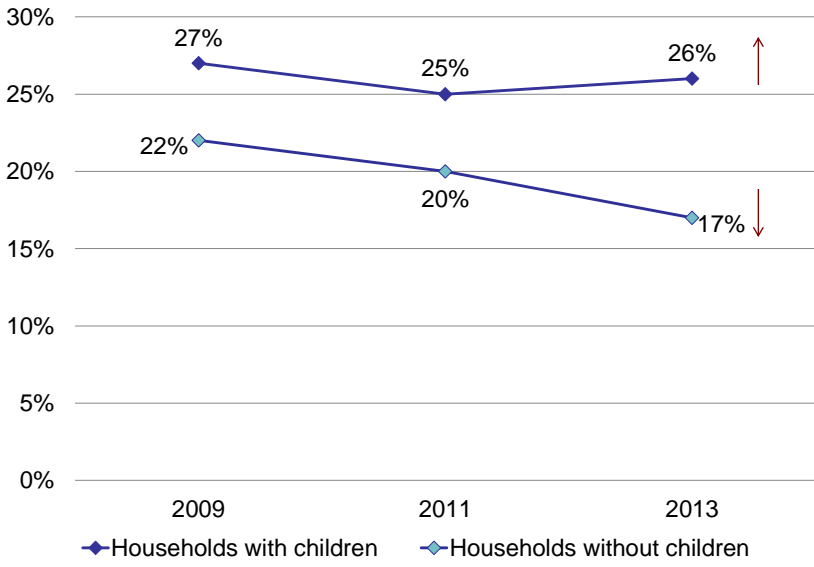
Data source: UNICEF, WMS 2011 and 2013

Poverty by Age Groups, 2013



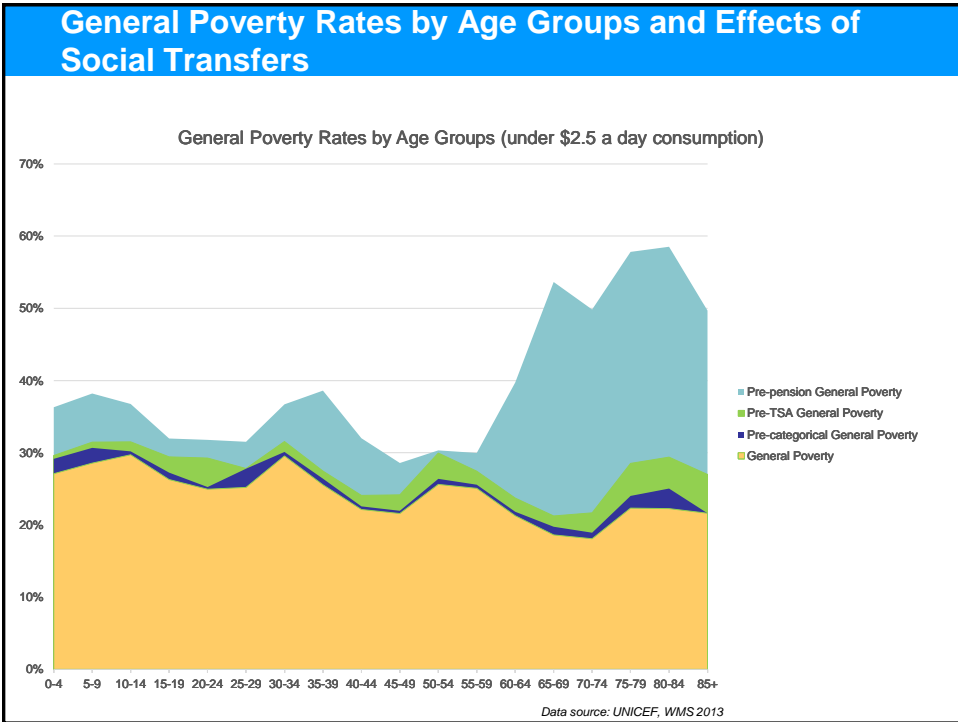
Data source: UNICEF, WMS 2013

Households with Children are Disproportionally Affected by Poverty National Poverty line (Relative)

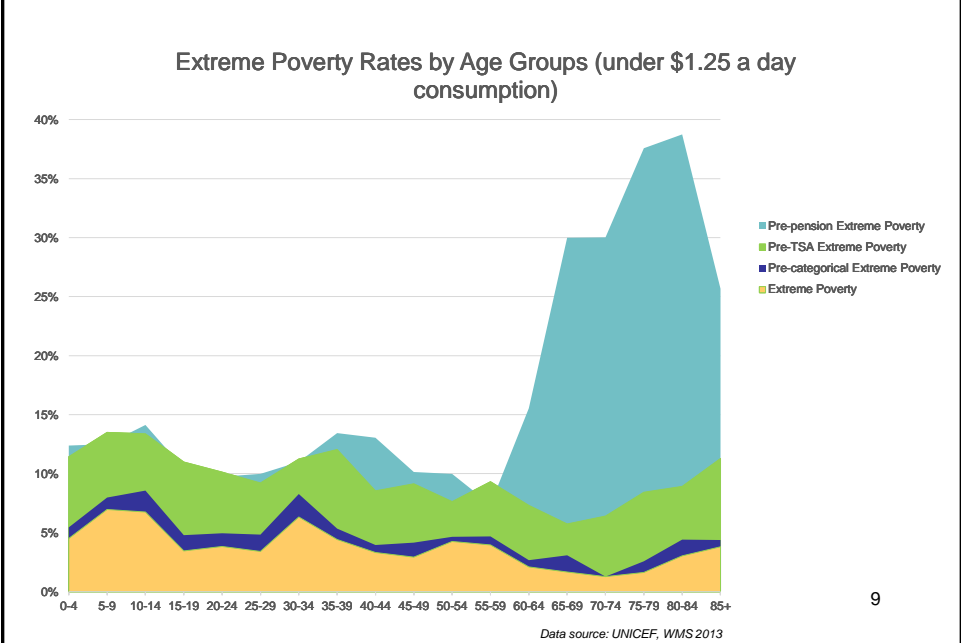


Data source: UNICEF, WMS 2009, 2011 and 2013

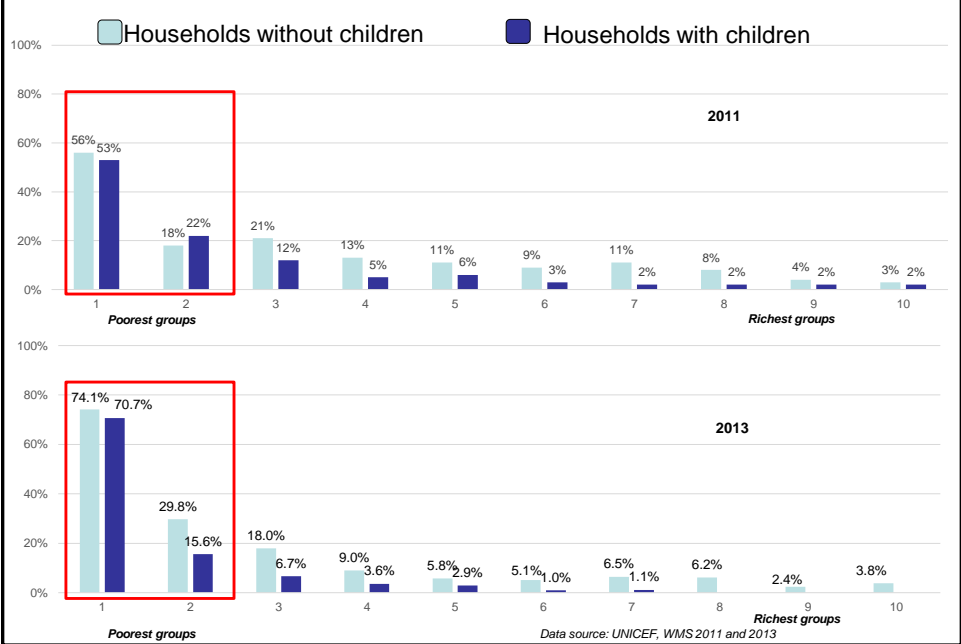
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Extreme Poverty Rates by Age Groups and Effects of Social Transfers

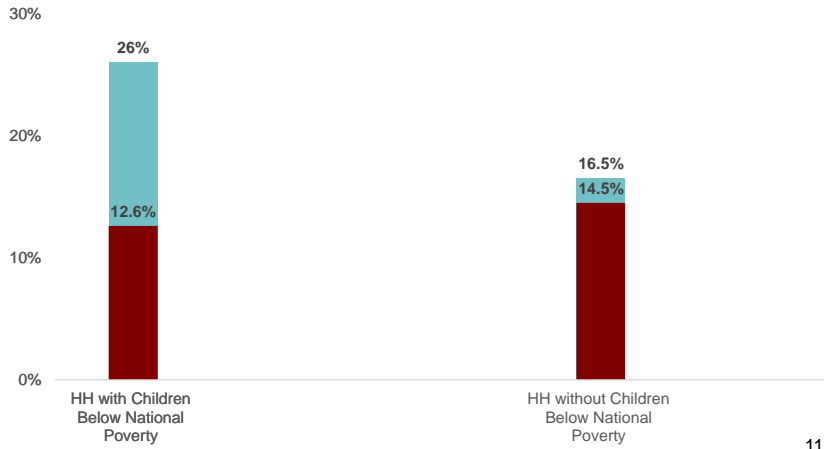


TSA Coverage by Consumption Deciles - Households with Children Covered Less



Households with and without Children Receiving TSA

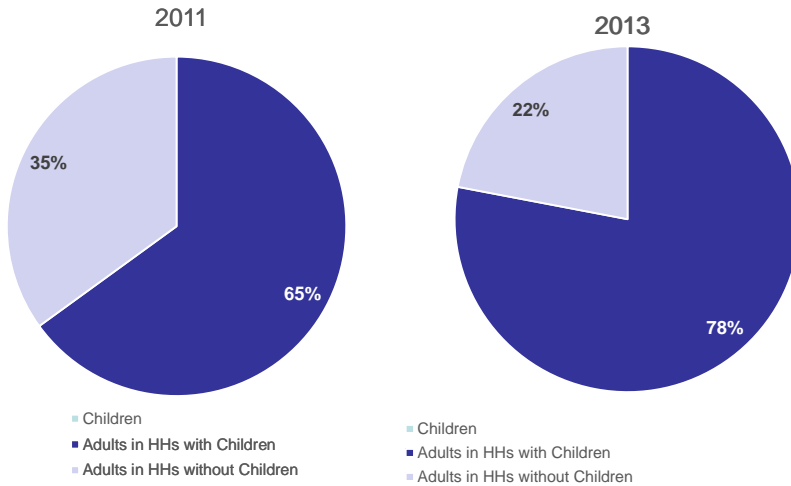
Households with Children below Poverty receive less TSA



Data source: UNICEF, WMS 2013

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Largest Part of Population in Extreme Poverty are either Children or Adults Living in Households with Children



!Social Policies directly TARGETING CHILDREN will have THE LARGEST results for the ENTIRE poor population!

Data source: UNICEF, WMS 2011 and 2013

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TSA Reform and the New Potential Designs

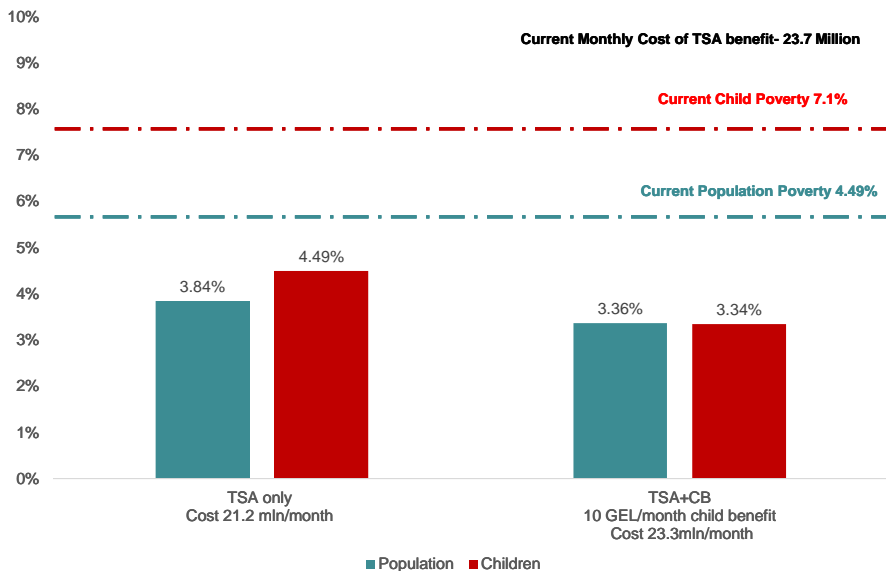
- Memorandum of Understanding with MoLHSA and SSA
- New methodology developed
- More focus on income and expenditure as well as needs
- Subjective assessment of the Social Agents to serve as monitoring instrument
- Benefit scheme changed to tiered model

Potential Design of New TSA Benefits Schemes and their Effects

	Status-Quo	TSA only	TSA+CB
	Benefit of GEL 60-48(1) below the old TSA cutoff score at 57,000	Benefits of 60, 50, 40 and 30 below new TSA cutoff scores at 30, 57, 60 and 65 thousand respectively.	Benefits of 60, 50, 40 and 30 below new TSA cutoff scores at 30, 57, 60 and 65 thousand respectively, and child benefit GEL 10/month for each child below 100,000 new TSA score.
Coverage (numbers)			
HH	143,750	106,000	179,200
Population	458,100	460,000	847,500
Children	103,700	128,000	260,000
Extreme poverty			
HH	3.75%	4.08%	3.72%
Population	4.49%	3.84%	3.36%
Children	7.14%	4.49%	3.34%
General poverty			
HH	21.79%	22.41%	22.08%
Population	24.93%	23.98%	23.40%
Children	30.37%	28.00%	26.87%
Total cost (GEL per month)			
Total Cost (maximum)	23,700,000	22,500,000	25,100,000
TSA	23,700,000	22,500,000	22,500,000
Child benefit	0	0	2,600,000
Total Cost (min)	23,700,000	21,200,000	23,300,000
TSA	23,700,000	21,200,000	21,200,000
Child	0	0	2,100,000

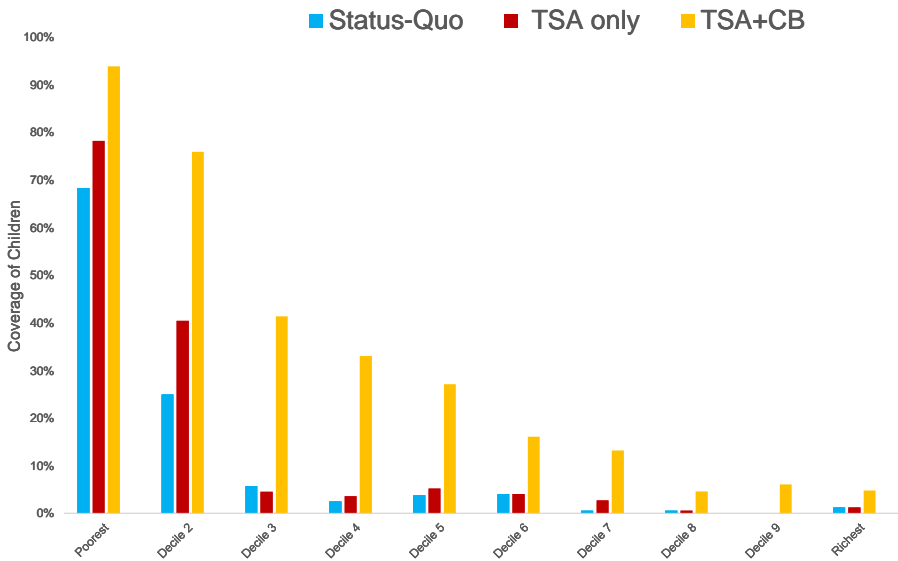
Data source: Geostat HH survey for Social Protection revision reform 2013, III quarter

Effects of TSA models on Extreme poverty



Data source: Geostat HH survey for Social Protection revision reform 2013, III quarter

Coverage of Children by Different TSA models



Data source: Geostat HH survey for Social Protection revision reform 2013, III quarter

Outcomes Achievable with Child Benefits

Reduced work disincentives:

- Introducing child benefits with TSA system will lower marginal rate of taxation

Economic growth:

- Well-designed social security system has a positive impact on economic growth
- Social security schemes generate greater consumption and demand in the economy. **Child benefits can better facilitate the latter**

Shared prosperity:

- High levels of inequality threaten economic growth, personal wellbeing, and social stability.
- TSA has helped those living in extreme poverty, yet the majority of insecure working age families with children have been ignored by social protection policy.

This is Achievable within the Same Fiscal Envelope

Aligning Georgia's SP system with good practice within OECD

