



Understanding and Measurement of Poverty, and Social Assistance in Poland

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EAPN Capacity Building Meeting
‘Poverty in the European Union
Building a common vision for action’
Thursday 27 September 2012

W boga iadziwa przyjezie
sta dzienka ubronka (r. od 86)
bawki, abawki, waleo Gerbor 3,
pawonkie, pamporay 5
dyrode, otarki augstadiu.
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512 224 114

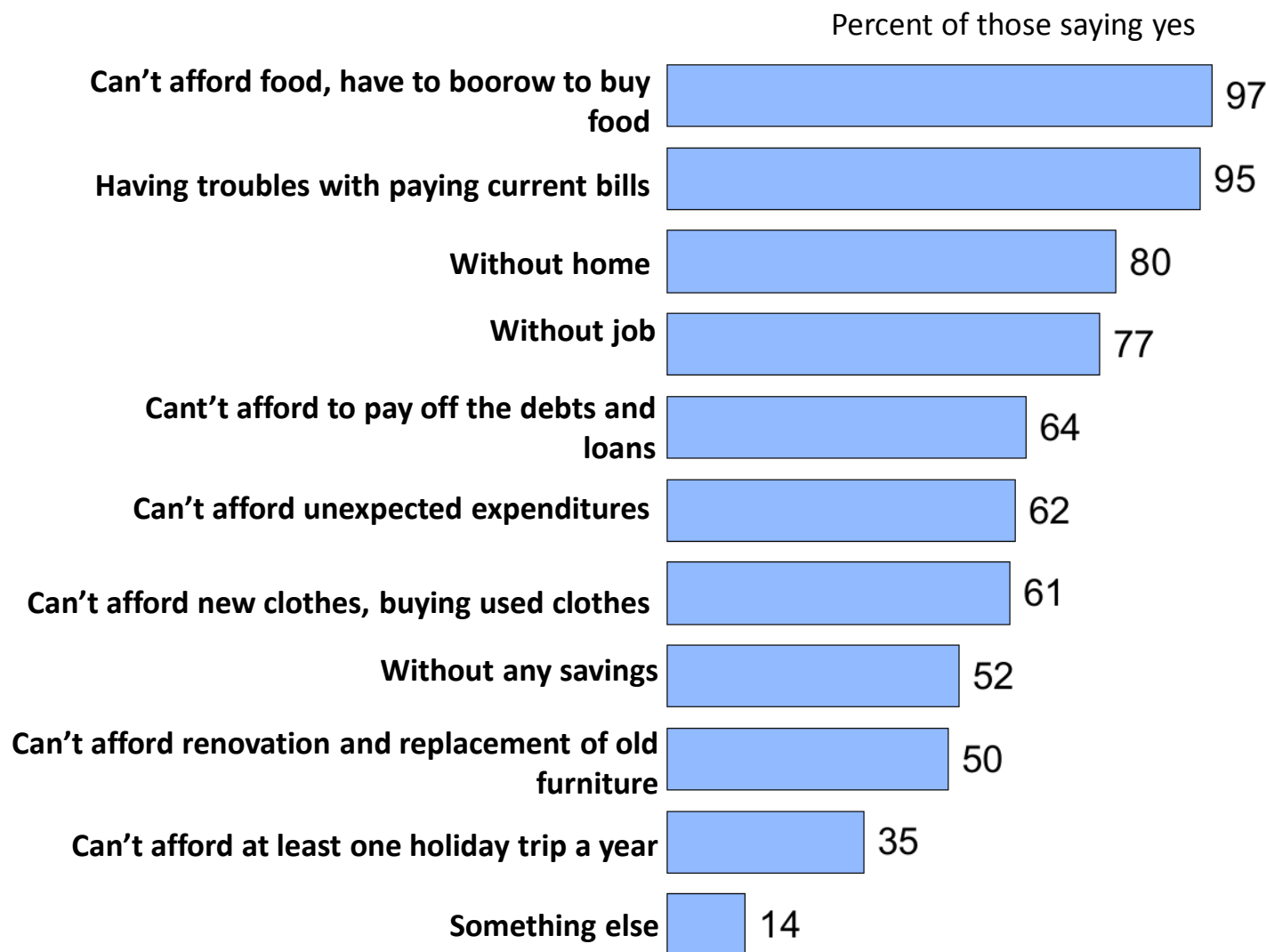
Fot. Anna Gmiterek-Zabłocka/TOK FM

It is a request for help (mainly for children stuff) in public place in Lublin (city with 350 thousand inhabitants). It was written by woman studying psychology, she grew up in foster family, but her problems started when she took credit from loan agency (Provident) to pay wedding costs. Her story was base for radio documentary. After publishing it on the web page, it was commented 349 times

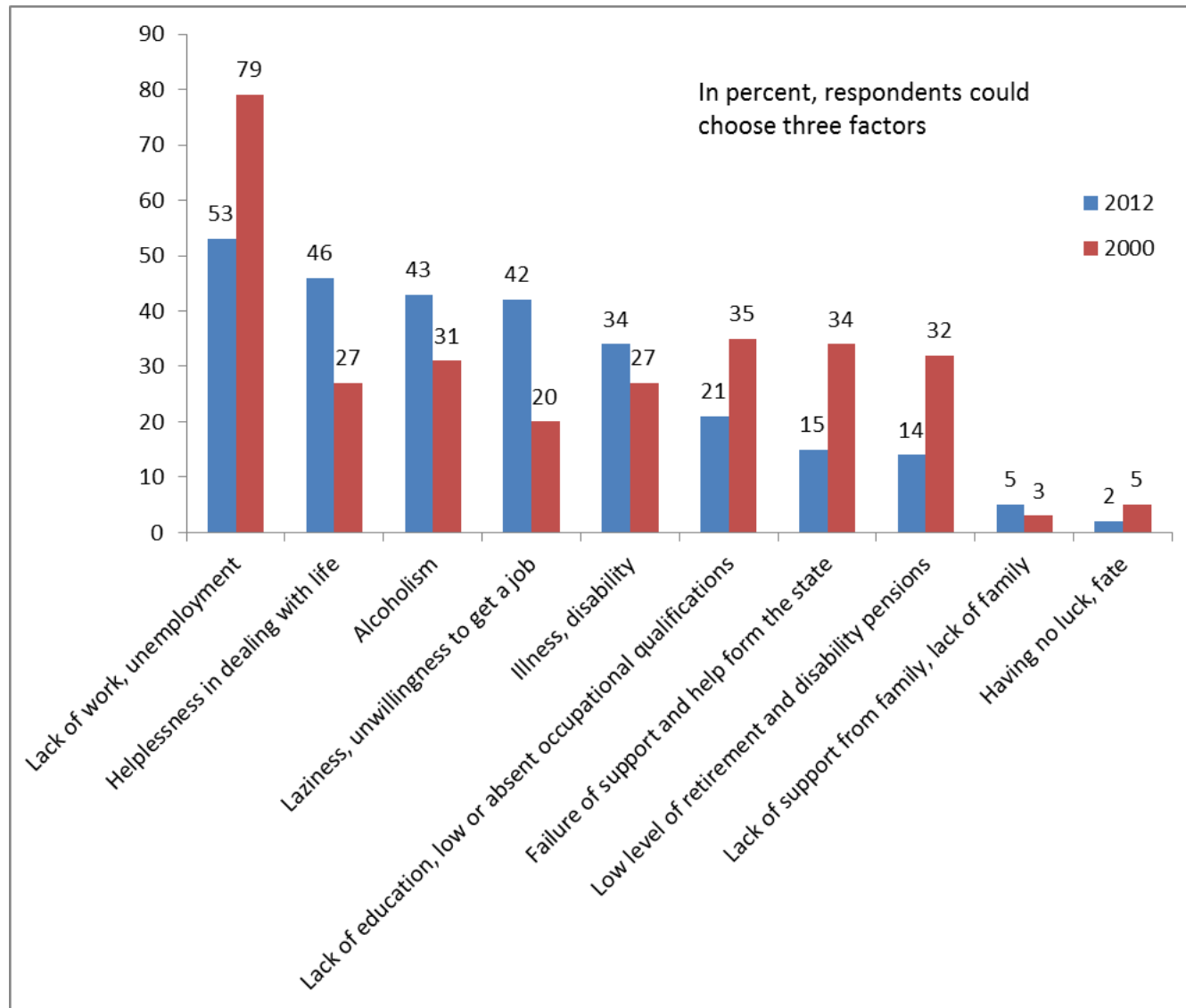
Poverty and other terms in Poland

- Poverty is understood mainly in absolute terms and in income space, understanding of links between poverty and inequality is weak
- Invention of social exclusion term is rather recent and it was imported from European Union documents near accession time (2002-2004)
- Most people in Poland don't understand what social exclusion means (survey from 2009)
- Multiple material deprivation is very recent, and probably majority don't understand its meaning

Who is the poor person according to Polish society?



How Polish society understands long-term poverty causes?



How poverty is understood in Polish social assistance law

- To be recognised as poor, household should have income lower than income threshold specified in law (it is to be indexed every three years)
- To be eligible to social assistance benefits family (household) should be poor and meet at least one another condition from the fourteen-point list e.g.:
 - Unemployment, disability, to be victim of natural catastrophe, crisis situation, orphanhood, addiction,
 - Chronic or severe illness, helplessness in family matters, family violence, homelessness...

Short history of social minimum

- Seventies: first estimations of minimum consumption standards
- Eighties: calculating and publishing of social minimum as an obligation of social ministry institute, first proposals to implement it in social law
- Nineties: invention of retrenched social minimum called subsistence minimum, obligation to implement social minimum in social assistance law
- Twenty first century: income thresholds for social assistance and family benefits based on social / subsistence minimum methodology
- Now: after six years of non-indexing income threshold for social assistance is lower than subsistence minimum, so it is proposed that they should be the same (in the past official line was higher than subsistence)

Social vs subsistence minimum

	Social minimum	Subsistence minimum
Food	✓ ✓	✓
Housing	✓ ✓	✓
Cloths and shoes	✓ ✓	✓
Health protection (medicins)	✓ ✓	✓
Personal hygiene	✓ ✓	✓
Education	✓ ✓	✓
Transport and communication	✓	-
Culture	✓	-
Sport and holidays	✓	-

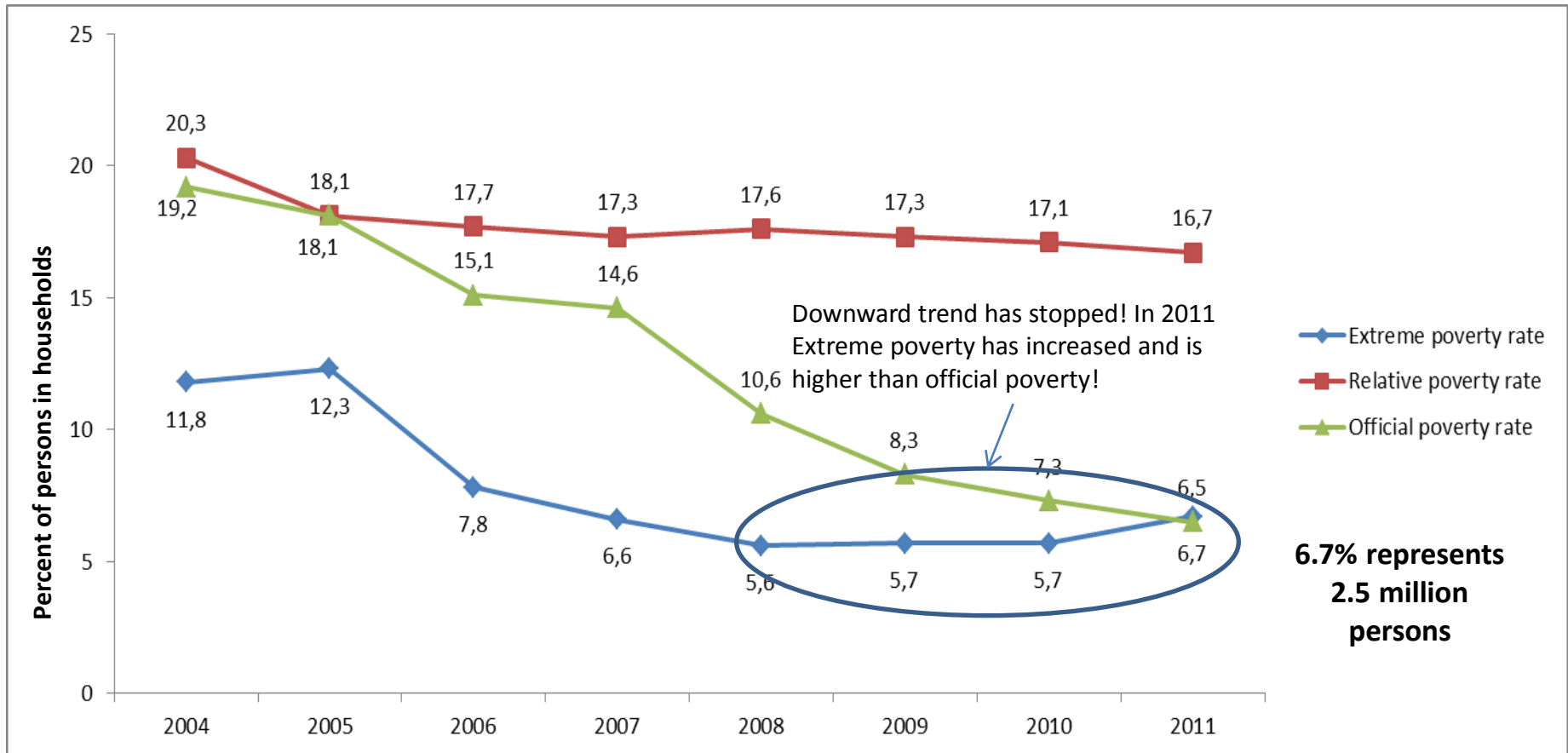
P. Kurowski, Koszyki minimum socjalnego i minimum egzystencji - dotychczasowe podejście, IPiSS, 2002

Methodology: list of needs, for each need list of satisfiers, for each satisfier estimation of its quality and quantity, searching for the lowest prices, total cost for each satisfier at the lowest prices, adding all costs (for several types of families)

Poverty lines in Poland's statistical office reports

- Dimension for calculating poverty lines: expenditures of households
- Three poverty lines for calculating poverty rates
 - **Extreme poverty line** based on subsistence minimum methodology
 - **Official poverty line** from social assistance act based on social minimum methodology but closer to subsistence minimum in level (from 2004, previously it was based on minimum pension, from 1996 only on amount specified in social assistance law)
 - **Relative poverty line** based on 50 percent of average expenditures

Poverty trends



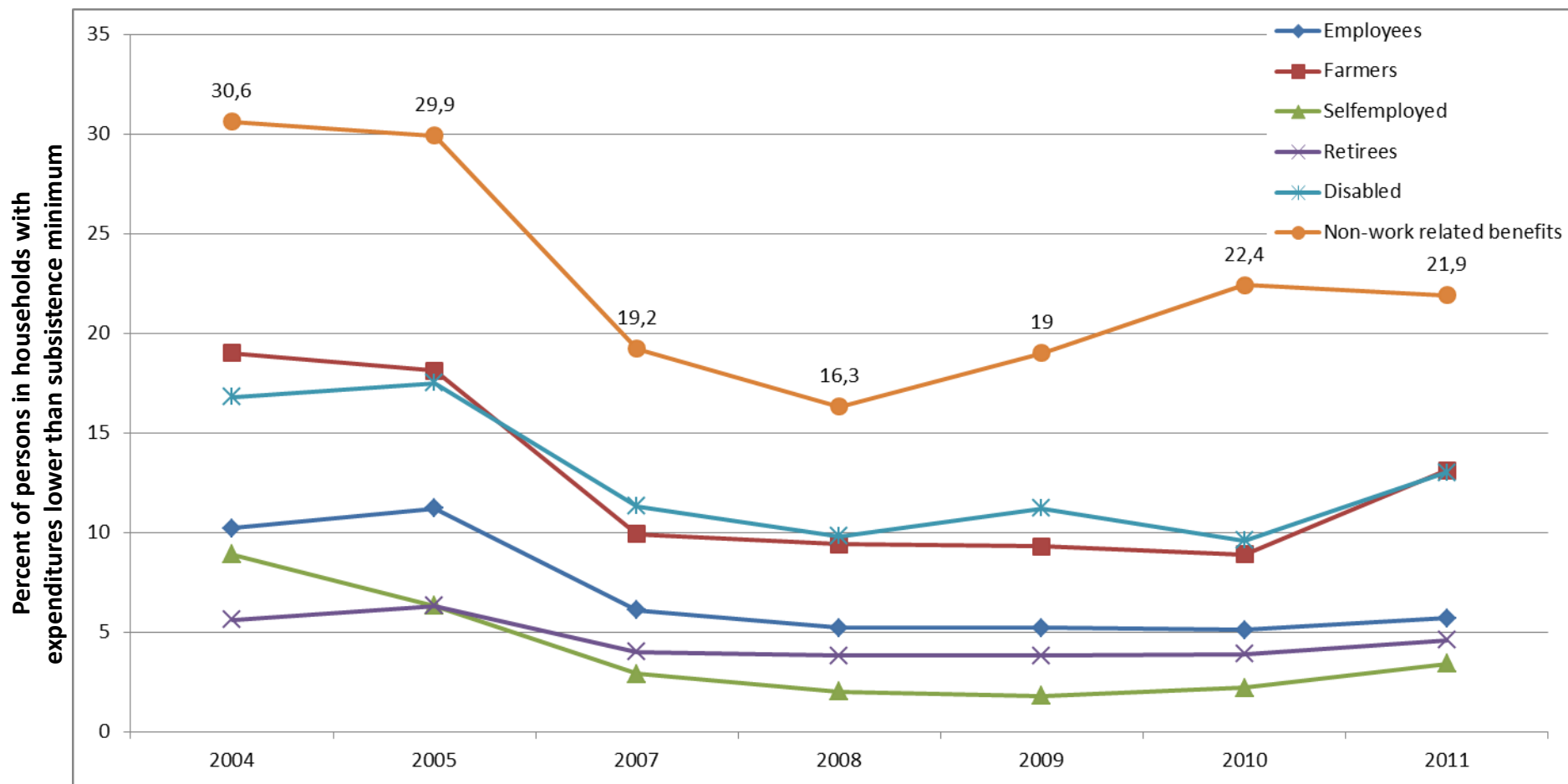
Polish Central Statistical Office, Household Budget Surveys

Poverty dimension: expenditures

Poverty line for extreme poverty is based on basket method

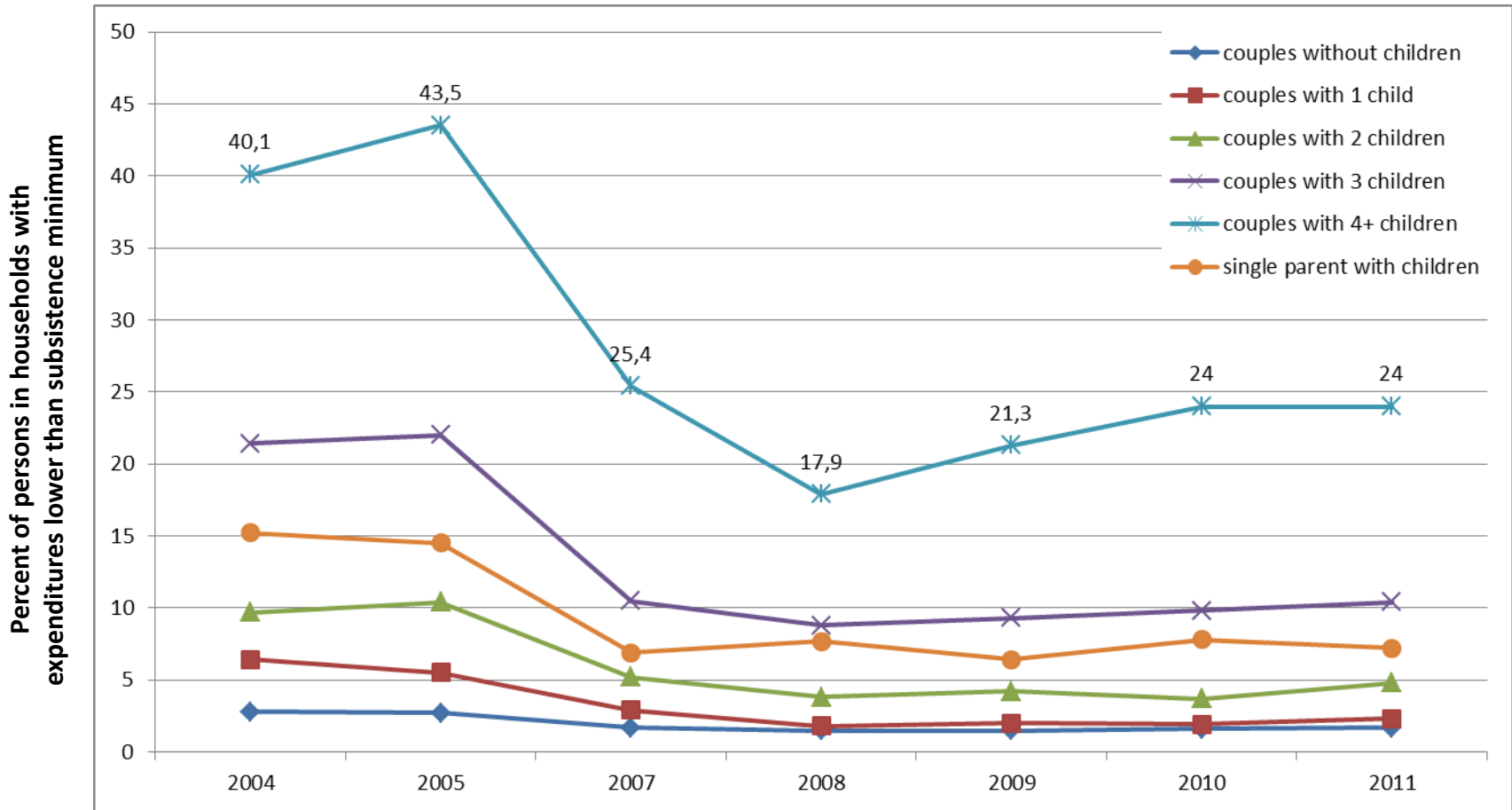
Change in methodology from 2006, for that year old value was 9,5 per cent

Extreme poverty among groups with different income source



Central Statistical Office, Households Budget Surveys
Change in methodology in calculating extreme poverty line in 2006

Extreme Poverty and Families



Central Statistical Office, Households Budget Surveys
Change in methodology in calculating extreme poverty line in 2006

New government ideas for social assistance reform, 2012

- Introduction of social and care vouchers
- Three instead of one poverty thresholds (e.g. one for able-bodied, one for old and disabled)
- Possibility for outsourcing of social work to non-public sector and quality standards (social work and social services agencies)
- Separation of social work and social assistance benefits proceedings
- New role for social assistance offices – coordination
- New roles for social workers (e.g. community worker)
- New rules of co-payment for families having their members in institutional care