

THE EFFECTIVENESS OF SOCIAL ASSISTANCE BENEFITS AMONG ELDERLY IMMIGRANTS IN BELGIUM – DRAFT

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1. Introduction

Literature shows that immigrants are a vulnerable group in Belgium. While people with Belgian descent had a poverty risk of 12% in 2005, the poverty risk of people with a non-EU nationality was almost 50% (Colruy & Verbist, 2010: 7). Poverty risks are highest for immigrants coming from Turkey and Morocco (Van Robaeys & Perrin, 2006: 7). These inequalities are very related to inequalities in the labour market. Immigrants, and especially non-EU immigrants are more often unemployed than non-immigrants. Differences in labour market trajectories are only partly explained by background characteristics (Colruy & Verbist, 2010; Van Robaeys & Perrin, 2006: 12).

Previous research shows that inequalities in poverty according to country of origin persist on old age (De Witte, Vanassche & Peeters, 2014). Especially immigrants from Congo, North-Africa and Turkey have a higher poverty rate compared to non-immigrants. These differences remain after controlling for characteristics of the previous labour market career, civil status, living arrangements and intergenerational household composition.

A key challenge in comparing the poverty risks of elderly immigrants with non-immigrants is their distinctive household composition. While non-immigrants more often live in one-generation households and collective households at older age, elderly immigrants are often living together with children and grandchildren. These household configurations are very different with regard to the income resources and dependency of individual family members. Previous research shows that the most vulnerable immigrant groups have a smaller poverty risk when living in multi-generational households (De Witte, Vanassche & Peeters, 2014).

The distinctive household configuration of immigrants and non-immigrants is also important regarding both the measurement of poverty and the entitlement to social assistance benefits. To reduce poverty among the elderly, the Belgian government provides social assistance benefits for the elderly who do not have the financial means to meet basic living standards. Before receiving social assistance benefits, a means test is carried out, taking the income of relevant others in the household into account. The differences in poverty risk between

immigrants and non-immigrants might be different depending on whether poverty is measured in terms of 1) entitlement to social assistance benefits or 2) 60% of the median income.

The aim of this study is to compare the poverty risk of elderly immigrants and non-immigrants in terms of the entitlement to social assistance benefits and 60% of the median income. The goal is to see whether the poverty incidence according both measured differs for immigrants and non-immigrants and whether this varies by household composition. We use Register data from 2008 in Belgium.

First, we give an overview of the different household composition of immigrants and non-immigrants, and the effects of these compositions on social assistance benefits. Then, we discuss different poverty measures and the combination of these measurements. Next, we formulate research questions and present the methods and results of the present study. We close with a critical reflection on the interpretation and policy relevance of our results.

2. Poverty and household composition

Register data points out that Turkish, North African and Congolese immigrants more often live together with children and/or grandchildren than other groups (Lodewijckx, 2007; De Witte, Vanassche & Peeters, 2014). Less than half of the elderly in these groups are one generation households. They often live together with others and have on average a large number of household members. Especially women within these immigrant groups are often living together in a three generation household. Belgians and immigrants from neighbouring countries and from EU-12 more or less show the opposite pattern: more than 80 percent lives in a one generation household and only a very small proportion lives in a three generation household. Immigrants from EU-Southern countries are located somewhere in-between.

Intergenerational household composition seems to affect poverty risk for elderly immigrants in Belgium (De Witte, Vanassche & Peeters, 2014). This is especially true for immigrants coming from Congo, North Africa and Turkey. These immigrant groups that are living in a three-generation household are having a poverty risk that is twice to three times as small as those living in a one-generation household. Their poverty risks remain substantial when living in three generation households however.

More people in the household, create economies of scale, which reduces poverty risks (FOD Economie, 2013). For elderly people, the income of working people in the household protects against poverty (Snyder, McLaughlin, Findeis, 2006). Kaida & Boyd, (2011) found that especially

for immigrants, co-residence with kin is a good way to reduce poverty. Burr & Mutchler found that many older persons in minority groups who live alone are poor, but when they combine households with others, the poverty profile of members of these populations improves (Burr & Mutchler, 1999: 677).

Research on the strategies of intergenerational household composition is mostly carried out in the United States and Canada, where the literature on immigrants is much more explored than in Europe. This research shows that immigrants use intergenerational living arrangements as an explicit strategy to cope with poverty, poor health, and discrimination (Burr & Mutchler, 1999: 684-685; Wilmoth, 2001: 236; Boyd, 1991; Treas & Batalova, 2009). Younger immigrants see it as their responsibility to support elderly family-members by taking them in the household. When older immigrants live with kin, they are usually the 'guest' in someone else's home, which makes them dependent on others. This is not true for older non-immigrants living together with kin. They remain the householder. Immigrants more often agree that adult children ought to provide financial assistance to their parents than non-immigrants. High needs, limited resources and income seem to increase the likelihood of living in a multi-generation household for immigrants. Finally, elderly immigrants arriving in the host country on later age have the highest propensity of living together with children. This is partly due to the fact that they have a lower income, and receive less social assistance from the government.

These findings are very likely similar in Belgium. In the context of family reunification, Turkish and especially Moroccan immigrants often bring their parents to Belgium in order to take care for them on elderly age. 15% of the elderly with Turkish and Moroccan background, came to Belgium when they were 65 years or older (Lodewijckx, 2007).

3. Defining poverty

Different definitions of poverty exist. Two often used measurements are the receipt of social assistance benefits - which is means tested - and the poverty threshold of 60% of the median income - which is based upon the family income per capita. We will make a comparison between both measurements, in order to estimate whether social assistance benefits are sufficient in protecting against poverty in terms of 60% of the median income.

3.1. Poverty as entitlement to social assistance benefits

In a previous study on pension protection and poverty among immigrants in Belgium (De Witte, Vanassche & Peeters 2014), we defined poverty as entitlement to social assistance benefits. Social assistance benefits are a last safety net for people who do not have the financial means to

meet basic living standards. The previous study defined people as 'in poverty' if they received social assistance benefits for the elderly and/or general social assistance benefits.

In 2008, entitlement to social assistance for the elderly was possible for people who were at least 64 years old, with residence in Belgium. They had to have the Belgian nationality, a nationality of one of the countries of the European Union, have an unknown nationality or be a displaced person, be a refugee, have the nationality of a country with which Belgium has a bilateral agreement or have built up pension-rights in Belgium (Stevens, 2009: 975). In 2009, the age was restricted for people who were at least 65 years of age and from July 2012 extra conditions had to be fulfilled: prove a labour market career of at least 312 days and have long-term residence in Belgium or another member state of the EC (Rijksdienst voor pensioenen, 2013). We will focus on the legislation as it was in 2008.

For some people, applying for social assistance benefits for the elderly is unnecessary (Rijksdienst voor Pensioenen, 2009: 71-74). For them, a means test is carried out automatically. Firstly, people who retired after 2004. Secondly, people whose deceased partner received social assistance benefits or a pension. Thirdly, people who received general social assistance benefits before retirement age. Finally, social assistance benefits for elderly are automatically revised when the household composition changes. Other people have to apply for social assistance benefits for the elderly.

Before receiving social assistance benefits for the elderly, a means test is carried out. Dependent children in the household and elderly living in the same retirement home as the applicant, are not taken into account for this means test (Belgisch staatsblad, 2001: art. 6-7). The income of all the other household members is taken into account and divided by the number of household members (dependent children and elderly living in the same retirement home not included). The actual received benefits are the difference between the maximum amount of social assistance benefits and the above calculation of income. Some income is not, or only partly taken into account in the means test. For example: pensions are only taken into account for 90%, child allowance is not taken into account, 743 euro real estate is left out of the calculation, 6200 euro capital is not taken into account (Belgisch staatsblad, 2001: art. 8-12). The amount for singles (991,86 in 2012 and 827,61 in 2008) is also granted to singles living together with dependent children. Others receive the amount for cohabitants (661,24 in 2012 and 551,74 in 2008) (Rijksdienst voor Pensioenen, 2013: 52).

Despite the fact that social assistance benefits exist especially for the elderly, some people will receive general social assistance benefits (POD Maatschappelijke Integratie, 2014). The measurements of both benefits differs slightly (Belgisch Staasblad, 2002). The means test for

general social assistance benefits does not take into account several assets that are included in the social assistance benefits for the elderly. Therefore, some people who do not succeed the means-test for social assistance benefits for the elderly, are entitled to (lower) general social assistance benefits. General social assistance benefits are lower than the social assistance benefits for the elderly (683,95 for singles and 455,96 for cohabitants).

Looking at poverty in terms of social assistance benefits entails the advantage of being means-tested. This means-test takes into consideration the assets owned by the household members, e.g. home-ownership (Peeters, De Tavernier & Berghman, 2013). The main disadvantage is the possibility of non-take up, which might be higher for immigrants compared to non-immigrants. In addition, the distinctive household configuration of immigrants compared to non-immigrants might entail a different relationship between the receipt of social assistance and the household income level.

3.2. Poverty in terms of income level

Another often used poverty measure is the poverty threshold of 60% of the median income (FOD Economie, 2013). Persons with an income below this threshold are considered to be poor. To determine the income level of individuals, the sum of all the resources in the household are divided by a scale of equivalence. This allows to compare the individual income across different household configurations. In 2008, the 60% of the median income poverty threshold in Belgium was 899 euro for individual persons. People with an income below that threshold are seen as 'in poverty'.

The poverty threshold of 60% of the median income is an intensively used poverty measure within the international research literature. A relative poverty measure is easy to compare between countries and groups and does not suffer from non-take up issues. The main disadvantage is that informal income sources and assets are not included

3.3. Combining information on entitlement to social assistance and income level

The poverty threshold of 60% of the median income differs in several aspects from social assistance benefits. First, 60% of the median income is higher than the benefits received from social assistance. On the other hand, the means test takes into account assets like home-ownership, which is not the case for the poverty threshold. Further, the denominator in both poverty calculations differs. While dependent children are not taken into account in the means test, they are taken into account for the calculation of the poverty threshold. Reversely, for the calculation of the poverty threshold, a scale of equivalence is explored, while for the calculation of social assistance benefits, every person in the household counts as '1'. Therefore, the group

that receives social assistance benefits will not be identical to the group that has an income below the poverty threshold.

The combination of information on the entitlement to social assistance benefits and the poverty threshold of 60% of the median income (social assistance benefits inclusive) gives information on the discrepancy between both measures, the effectiveness of social assistance benefits in preventing poverty in terms of 60% of the median income and the percentage of people with a low income that are nevertheless excluded from social assistance benefits.

First of all, the combination of both poverty measures allows to distinguish a group of people that are twice considered as not being poor. From a policy perspective, these persons can be considered as rightfully excluded from social assistance benefits.

Secondly, there will be a group of people that are considered twice being poor. These persons fall below the poverty threshold of 60% of the median income, despite their receipt of social assistance benefits. Here, social assistance benefits are unable to protect people from poverty in terms of 60% of the median income.

Thirdly, there will be a group that is not entitled to social assistance benefits but falls below the poverty threshold. A previous study demonstrated that immigrants coming from Congo, North Africa and Turkey that live in multi-generational households are better protected against poverty in terms of social assistance benefits when living in three-generation households compared to one-generation households (De Witte, Vanassche & Peeters 2014). As the eligibility to social assistance is determined based on the household income, older people living in intergenerational households might be ineligible for social assistance benefits despite the household income per capita being very low. We wonder whether some people are excluded from social assistance because they live in multiple-generation households, but have an income per capita below the poverty threshold and whether social assistance is sufficient in dissolving poverty for every household composition.

The final combination entails persons who are entitled to social assistance benefits and are not falling below the poverty threshold of 60% of the median income. This combination might be considered as 1) social assistance benefits preventing against poverty or 2) people wrongful entitled to social assistance benefits.

The discrepancy between the measurement of poverty in terms of the poverty threshold and social assistance benefits might differ between groups of origin and by household composition.

4. Research questions

This study presents two groups of research questions. A first group of questions focuses on the failure ratio of social assistance benefits. First, are social assistance benefits sufficient in dissolving poverty in terms of 60% of the median income (RQ1a)? Next, does this sufficiency differ between the groups of origin controlling for differences in their household composition (RQ1b)? And third, to what extent is living in a multi-generation household protective against poverty in terms of 60% of median income for people coming from Turkey, Congo and North Africa (RQ1c)?

A second group of questions focuses on wrongful exclusion from social assistance benefits. First, are people who do not receive social assistance benefits rightfully excluded? In other words, do people who do not receive social assistance benefits have an income that is higher than the poverty threshold of 60% of the median income (RQ2a)? Next, do these figures differ between the groups of origin, controlling for differences in their household composition? Third, to what extent is living in a multi-generation household predictive for wrongful exclusion from social assistance for people coming from Turkey, Congo and North Africa (RQ2c)?

5. Data

We used register data from the Belgian Datawarehouse Labour Market & Social Protection (*Datawarehouse Arbeidsmarkt en Sociale Bescherming*) and the Crossroads Bank for Social Security (*Kruispuntbank Sociale zekerheid*), in combination with data from the National Register. The Datawarehouse contains individual-level information from different administrative sources. The linkages occur by a personal identifier. For privacy reasons, the linking occurs by the Crossroads Bank.

The main sample consisted of a random sample of 5% of all people living in Belgium on the 1st of January 2008 that were born before 1949 (age 60 or older). In addition, we drew four samples of 1000 people each within four immigrant-groups determined by availability of data, because the number of immigrants in the main sample was insufficient for proper analysis. These four groups were: 1) Turkey; 2) North African countries; 3) Congo, Burundi, Rwanda and 4) EU-12. We only considered people over age 64 since this is the official retirement age. Our final research sample consisted of 93.657 people in total. We corrected for the oversampling of certain immigrant groups by means of weighing coefficients.

Apart from information on the sample unit, we also included information on the household members of every unit in the sample. This allowed us to construct variables based upon the household such as the number of household members and the household income.

5.1. Dependent variables

First, we created a variable that combines information on two poverty measures: 1) entitlement to social assistance benefits for the elderly and/or entitlement to general social assistance benefits at the end of 2008 and 2) having an income below the threshold of 60% of the median income¹. This results in four categories: not entitled to social assistance with an income above the poverty threshold; not entitled to social assistance with an income under the poverty threshold; entitled to social assistance with an income above the poverty threshold; and entitled to social assistance with an income under the poverty threshold. We are confronted with limitations in defining poverty in terms of 60% of the median income however. Our measure only includes income from pension, from work, from social benefits and from assimilated periods. We have no information on personal property in terms of capital or real-estate for example. Therefore, we might overestimate the amount of people living below the poverty threshold.

Next, we construct two additional variables: a 'social assistance failure-ratio' and a 'wrongfully excluded from social assistance benefits-ratio'. The first characteristic gives the percentage of people who are in poverty in terms of 60% of the median income, despite the fact that they receive social assistance benefits. For these people, social assistance benefits seem unable to resolve poverty. The second characteristic gives the percentage of people that do not receive social assistance benefits, while they are in poverty in terms of 60% of the median income. They seem to be 'wrongfully excluded' from social assistance benefits. Again, these terms have to be interpreted with caution, since our measurement of 60% of the median income is not complete.

5.2. Independent variables

One of our main independent variables is 'intergenerational household composition'. We used information based upon the kinship relationship of each household member with the head of the household in order to reconstruct intergenerational household composition. We distinguished

¹ In 2008, every single person with a household income per capita below 899 euro, is seen as in poverty ($n=15971$ or 17% of total sample). Household income per capita is the sum of all the resources in the household, divided by a scale of equivalence. The resources that are taken into account are income from pension, from work, from social benefits and from assimilated periods of all the members in the households. The scale of equivalence is calculated as follows: the first adult in the household gets '1' as coefficient, every other adult receives '0,5' and children '0,3'. The sum of these coefficients gives us the scale of equivalence which is used as denominator in the fraction

between a one-generation household; co-residence with children or grandchildren (two-generation households); and co-residence with children and grandchildren (three-generation households).

Another main independent variable concerned the migration background of the men and women in our sample. Individuals with Belgian nationality at birth were considered non-immigrants; individuals with a non-Belgian nationality at birth are considered to be immigrants. Within the group of immigrants, a distinction is made according to the country of origin. Based on internally established privacy guidelines, some countries of origin and nationality at birth are clustered into groups of 'similar' countries in the raw data. For the present study, we focused on the seven groups of countries: Belgium's 'neighbouring countries' (n=2433); 'Congo, Burundi and Rwanda' (n=627); the 'EU-12', including Cyprus, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovenia, Slovakia, the Czech Republic, Bulgaria and Romania (n=1062); 'EU South', including Spain, Portugal, Italy and Greece (n=2848); 'North Africa', including Morocco, Algeria and Tunisia (n=1648), Turkey (n=1084) and 'Belgium' (n=83955).

The control variables 'age', 'gender' and 'current marital status' could be readily derived from the Datawarehouse. Finally, the characteristic 'living arrangement' describes whether a person is living alone, living as a couple or living in a collective household. Being single means 'not having a partner'. It is possible however, that these single people live together with children, parents or other people who are not a partner. The same is true for the category 'couple'. These people have a partner, but other people may also be a part of the household. People living in a collective household refer to people living with other 'non-related' people (often a residence home for the elderly).

5.3. Analytical strategy

First, in order to answer research question 1a, 1b, 2a and 2b, we describe the differences in poverty based upon social assistance benefits and poverty in terms of 60% of the median income for different groups of origin. We will also test the risks of being 'wrongfully excluded from social assistance benefits'-ratio and the 'social assistance failure'-ratio for different groups of origin by means of cross tabulation and multivariate logit models. Second, in order to answer research question 1c and 2d, we include the intergenerational household composition and limit our analyses to immigrants coming from Congo, North Africa and Turkey. By means of cross tabulations, we describe the differences in being 'wrongfully excluded' from social assistance and the 'social assistance failure' ratio for different intergenerational household compositions. Finally, we present multivariate logit models in which the explanatory power of

intergenerational household composition is controlled for marital status living arrangement, gender and age.

6. Results

First, we discuss ‘social assistance failure’ and ‘wrongful exclusion’ for different groups of origin. Second, we discuss the effect of intergenerational household composition on ‘social assistance failure’ and ‘wrongful exclusion’ for immigrants coming from Congo, North Africa and Turkey.

6.1. *‘Social assistance failure’ and ‘wrongful exclusion’ for different groups of origin*

Table 1 shows the relation between poverty in terms of social assistance and poverty in terms of 60% of the median income for different groups of origin, the ‘social assistance failure ratio’ and the ratio of those who are ‘wrongfully excluded’ from social assistance benefits.

Especially immigrants coming from Congo, North Africa and Turkey more often receive social assistance benefits than other groups (first two combinations of the poverty measures). One third of the people coming from Turkey and North Africa and more than half of the Congolese immigrants receive social assistance benefits. Even more than one third of the Turkish and North African immigrants, and half of the Congolese immigrants have an income below the poverty threshold.

When Congolese, North African and Turkish immigrants receive social assistance benefits, those benefits often seem unable to alleviate poverty. Almost half of the Congolese immigrants, and more than one fourth of the North African and Turkish immigrants that receive social assistance benefits, have an income below the poverty threshold. People coming from Belgium, the Neighbouring countries, EU-12 and EU South have very low poverty risks in terms of 60% of the median income when receiving social assistance benefits. Even though these benefits are below the poverty threshold, they protect against poverty for 90% or more of the people coming from these countries.

Secondly, immigrants coming from Congo, North Africa and Turkey seem to be wrongfully excluded from social assistance benefits more often than other groups. Almost half of the Congolese and North African immigrants and 40 percent of the Turkish immigrants that do not receive social assistance benefits, are in poverty. For people coming from Belgium, EU-12 and EU-South that are not entitled to social assistance benefits, less than one fifth has an income below the poverty threshold.

TABLE 1: COMBINATION OF POVERTY IN TERMS OF SOCIAL ASSISTANCE AND POVERTY IN TERMS OF 60% OF THE MEDIAN INCOME

	Belgium	Neighbouring countries	Congo	EU-12	EU-South	North Africa	Turkey
Social assistance versus poverty							
No social assistance, above poverty threshold	80	51	25	73	79	39	44
No social assistance, below poverty threshold	15	42	21	16	16	30	30
Social assistance, above poverty threshold	4	6	29	10	5	21	20
Social assistance, below poverty threshold	0	1	25	1	0	9	7
'Social assistance failure'-ratio							
Percentage in poverty for those receiving social assistance benefits	9	11	46	11	5	30	25
'Wrongfully excluded from social assistance'-ratio							
Percentage in poverty for those not receiving social assistance benefits	16	45	45	18	17	44	40

Source: authors' calculations, based on the Belgian Datawarehouse Labour Market & Social Protection Sociale zekerheid' in Belgium, in combination with data from the National Register.

The differences between the groups of origin still hold after controlling for background characteristics (Table 2 and 3). Table 2 presents the risk of being 'wrongfully excluded' from social assistance benefits. Within the group that does not receive social assistance benefits, immigrants coming from Congo, North Africa, Turkey and the Neighbouring countries more often have an income below the poverty threshold than people coming from Belgium, EU-12 and EU South. 'Older elderly' that do not receive social assistance benefits more often have an income below the poverty threshold than 'younger elderly'. Women have a higher risk of being 'wrongfully excluded' from social assistance benefits than men. Singles more often have an income below 60% of the median income than couples. Widowed elderly have the highest risk for being 'wrongfully excluded', followed by married people and unmarried and divorced people have the smallest risk. Finally, living in a three-generation household increases the risk for being 'wrongfully excluded', living in a two-generation household reduces this risk.

TABLE 2: DIFFERENCES IN 'WRONGFUL EXCLUSION' BETWEEN IMMIGRANT GROUPS AND NON-IMMIGRANTS, CONTROLLED FOR BACKGROUND CHARACTERISTICS, LOGIT COEFFICIENTS

	B	p
Intercept	-2,9	***
Country of origin (ref = Belgium)		
Neighbouring countries	2,6	***
Congo	1,5	***
EU-12	0,2	
EU South	0,1	*
North Africa	1,5	***
Turkey	1,3	***
Age	0,0	***
Gender (ref = men)	0,1	***
Living arrangement (ref=with partner)		
Single	0,4	***
Collective household	0,1	
Intergenerational household composition (ref = one-generation)		
Living with children or grandchildren	-0,5	***
Living with children and grand-children	0,3	***
Civil state (ref = married)		
Unmarried	-0,6	***
Widowed	1,4	***
Divorced	-0,6	***
N		
-2 Log Likelihood		
AIC		

Source: authors' calculations, based on the Belgian Datawarehouse Labour Market & Social Protection Sociale zekerheid' in Belgium, in combination with data from the National Register. ***p<.001, **p<.01, *p<.05, °p<0.1

Table 3 presents the risk of 'social assistance failure'. After controlling for background characteristics, immigrants coming from Congo, North Africa and Turkey still more often have an income below the poverty threshold when receiving social assistance benefits than people coming from Belgium, Neighbouring countries, EU-12 and EU-South. Older people within the elderly and women receiving social assistance benefits, more often have an income above the poverty threshold than younger elderly and men. Singles more often have an income above the poverty threshold when receiving social assistance benefits than couples. Living in a three-generation household increases the 'failure' ratio compared to living in a one-generation household. Finally unmarried and divorced elderly more often have an income above the poverty threshold when receiving social assistance benefits than married elderly.

TABLE 3: DIFFERENCES IN ‘SOCIAL ASSISTANCE FAILURE’ RISK BETWEEN IMMIGRANT GROUPS AND NON-IMMIGRANTS, CONTROLLING FOR BACKGROUND CHARACTERISTICS, LOGIT COEFFICIENTS

	B	p
Intercept	2,3	***
Country of origin		
Neighbouring countries	0,3	
Congo	1,7	***
EU-12	0,4	
EU South	-0,5	
North Africa	0,9	***
Turkey	0,4	°
Age	-0,1	***
Gender (ref = men)	-0,3	**
Living arrangement (ref=with partner)		
Single	-0,7	***
Collective household	-0,1	
Intergenerational household composition (ref = one-generation)		
Living with children or grandchildren	0,1	
Living with children and grand-children	1,0	***
Civil state (ref = married)		
Unmarried	-0,7	***
Widowed	-0,2	
Divorced	-0,5	**
N	5598	
-2 Log Likelihood	4303	
AIC	4335	

Source: authors' calculations, based on the Belgian Datawarehouse Labour Market & Social Protection Sociale zekerheid' in Belgium, in combination with data from the National Register. ***p<.001, **p<.01, *p<.05, °p<0.1

6.2. The effect of intergenerational household composition on ‘social assistance failure’ and ‘wrongful exclusion’ for immigrants coming from Congo, North Africa and Turkey

In what follows, we will focus on immigrants coming from Congo, North Africa and Turkey. In part 6.1, we saw that these groups more often do not receive social assistance benefits, while they have an income below the poverty threshold and social assistance seems less able to reduce poverty in terms of 60% of the median income than for other groups. Previous research shows that intergenerational household composition reduces poverty in terms of social assistance

benefits for immigrants coming from Congo, North Africa and Turkey. We will therefore look further into the combination of intergenerational household composition and poverty reduction. Table 4 shows that poverty (in terms of 60% of the median income and in terms of social assistance benefits) decreases for those living in a two-generation household, but while receipt of social assistance benefits also decreases for people living in a three-generation household, poverty in terms of 60% of the median income increases for this group.

In general, living in a two-generation household seems to protect immigrants coming from Congo, North Africa and Turkey against poverty, living in a three-generation household does not. More than half of the immigrants living in a three-generation household, that are not receiving social assistance benefits, have a household income per capita under 60% of the median income. For immigrants living in a one-generation household that is 41%, and for immigrants living in a two-generation household that is ‘only’ 30%. When receiving social assistance benefits, immigrants in two-generations seem to be best off as well. Poverty reduction is largest in this group. More than one third of the immigrants living in a one- and three-generation household that receive social assistance benefits, are still poor.

TABLE 4: POVERTY IN TERMS OF SOCIAL ASSISTANCE AND POVERTY IN TERMS OF 60% OF THE MEDIAN INCOME BY INTERGENERATIONAL HOUSEHOLD COMPOSITION, FOR IMMIGRANTS COMING FROM CONGO, NORTH AFRICA AND TURKEY

	1 generation	2 generations	3 generations
Social assistance versus poverty threshold			
No social assistance, above poverty threshold	33	50	35
No social assistance, below poverty threshold	25	22	45
Social assistance, above poverty threshold	29	21	12
Social assistance, below poverty threshold	13	7	8
‘Social assistance failure’-ratio			
Percentage in poverty for those receiving social assistance benefits	34	26	38
‘Wrongfully excluded from social assistance’-ratio			
Percentage in poverty for those not receiving social assistance benefits	41	30	55

Source: authors’ calculations, based on the Belgian Datawarehouse Labour Market & Social Protection *Sociale zekerheid* in Belgium, in combination with data from the National Register.

In Table 5, we control for the effect of age, gender, living arrangement and civil state, in order to test the effect of intergenerational household composition on poverty, for those not receiving social assistance. The above effects remain after testing in multivariate analyses. People living in two-generation households are less often ‘wrongfully excluded’ from social assistance benefits

did not expect them to measure exactly the same. Important to notice however, is that social assistance benefits are almost sufficient in dissolving poverty for people coming from Belgium, the Neighbouring countries, EU-12 and EU South. More than 90% of the people receiving social assistance benefits coming from these countries, has an income above the poverty threshold. This is not the case for people coming from Congo, North Africa and Turkey. One third to half of the immigrants coming from these country are still in poverty, despite the fact that they receive social assistance benefits. These differences hold after controlling for background characteristics. Even though our measurement is not perfect, these differences between the groups of origin, point to the fact social assistance benefits seem more accurate in dissolving poverty for certain groups of origin than for others.

Second, people that do not receive social assistance benefits, certainly do not always have a household income per capita above the poverty threshold. In other words, not everybody that does not receive social assistance benefits is rightfully excluded. Further, our results point out that immigrants coming from Congo, North Africa and Turkey are more often wrongfully excluded from social assistance benefits than other origin-groups. Half of the immigrants in these groups that do not receive social assistance benefits, are in poverty. The fact that social assistance benefits are lower than the poverty threshold is insufficient in explaining these differences. After controlling for background characteristics, people coming from Belgium, EU-12 and EU South are still better protected against poverty when they receive social assistance benefits than immigrants coming from Congo, North Africa and Turkey. Again, despite our measurement, these results point out that access towards social assistance benefits might differ between groups of origin.

When looking further into the characteristics explaining why some (Turkish, Congolese and North African) immigrants do not receive social assistance benefits while in poverty, living in a three-generation household seems indeed an important factor. Elderly immigrants living in a three-generation household, less often receive social assistance benefits than elderly immigrants living in a one- or two-generation household, but more often have a household income per capita below the poverty threshold. Immigrants living in a two-generation household do seem to have a lower poverty risk in terms of 60% of the median income and in terms of social assistance benefits than other groups. Living in a three-generation household seems to exclude people from social assistance benefits, while they are in poverty. One possible explanation is that the income position of others in the household excludes these people from social assistance benefits, while their income position is actually very low. This seems unlikely however, since analyses (not presented here) show that the household income per capita is lowest for people living in a three-generation household. Another possible explanation is that these immigrants do not apply for

social assistance benefits because they do not know the ways that give access. Finally, living in multiple generation households might be seen as a way to decrease poverty risks, therefore these people might be in the assumption that social assistance benefits are unnecessary or inaccessible.

The legislation concerning social assistance benefits for the elderly changed in 2012 and 2013 (Belgisch Staatsblad, 2013). It is unclear to what extent this would alter our results. From then on, not only dependent children in the household, but also non-dependent children and parents are excluded from the means test. Further, income of relevant others in the household is only taken into account if the elderly person can personally access it. This will probably decrease the family income in the means test, especially for people living together with more generations and therefore improve the access towards social assistance benefits. On the other hand, the extra condition that implies a labour market career of at least 312 days has to be fulfilled. Immigrants coming to Belgium at retirement age might therefore lose right to social assistance benefits for the elderly. Therefore, it is unclear whether more people will have access to social assistance benefits in 2013 than in 2008. This will have to be investigated in further research.

Finally, living in a multi-generation household does not seem protective against poverty in terms of 60% of median income for people coming from Turkey, Congo and North Africa. Based on the above findings, it could be expected that people who do receive social assistance benefits when living in a three-generation household are extra-well protected: by their family-members and by the social assistance benefits. This seems not to be the case after controlling for background characteristics however.

By answering these research questions, many new questions appear that will have to be addressed in further research. First, it is unclear why exactly immigrants coming from Congo, North Africa and Turkey that live in three-generation households are this often wrongfully excluded from social assistance benefits. Do they not apply for these benefits while they are entitled to them? Does the income of brothers and sisters or others in the household exclude them from these benefits? Further, it is unclear why social assistance benefits are more sufficient in resolving poverty for certain (immigrant) groups than for others. Finally, the effect of new legislation will have to be taken into account.

We also want to stress some limitations of the study. First, the family-income variable only includes income coming from pension, from work, from social benefits and from assimilated periods. We have no information on other resources in the household, that are taken into account for the means test such as home-ownership. Therefore, we might overestimate the amount of people that are wrongfully excluded from social assistance and the amount of people

for whom social assistance fails to dissolve poverty. Secondly, it is impossible to draw conclusions on illegal immigrants, as they are not registered in the National Register.

Despite these limitations, we believe that our results are crucial for policy makers as they reveal large differences in coverage and effectiveness of social assistance benefits in Belgium. Depending upon the poverty measure in place, different results are obtained. The question raises on the exact objective of social assistance benefits. If the objective is to protect people against poverty, it seems to fail for certain groups especially. In the first place by means of access, and in the second place by the fact that these people still have an income below the poverty threshold after receiving social assistance benefits. Social assistance benefits are entitled to the most vulnerable in our society. Knowing that immigrants are an already vulnerable group in general, this might indicate that the social assistance policy in place is unable to reduce the poverty risks of these most vulnerable groups. This raises questions on the effectiveness and usefulness of social assistance benefits the way they are organised at this point.

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