

Families and poverty risks.

An analysis of poverty entry around childbirth in different EU welfare arrangements

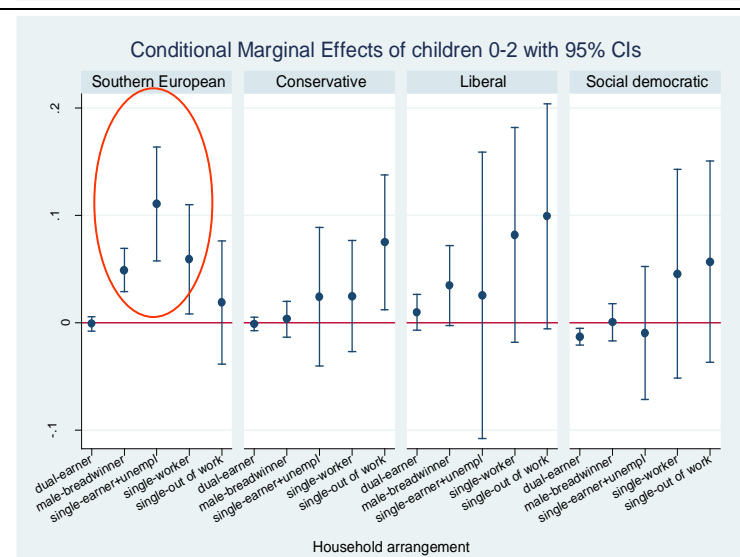
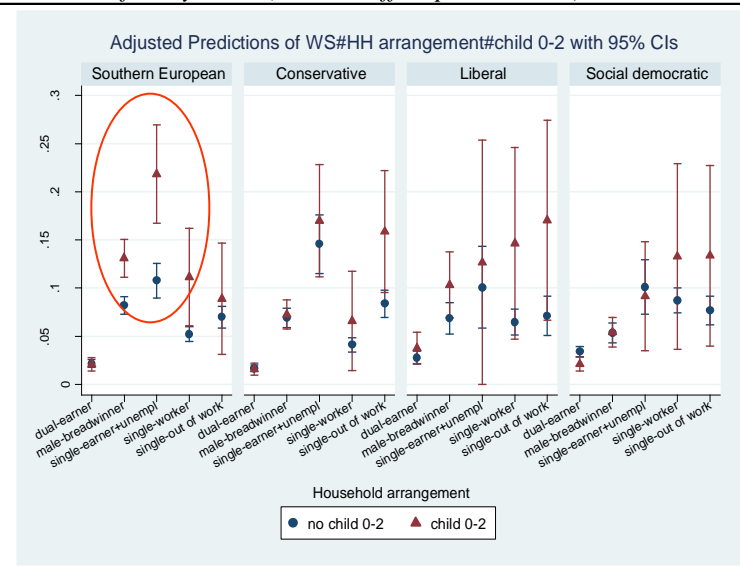
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This paper deals with families' risk of falling into monetary poverty around childbirth in four different EU welfare arrangements (Social-democratic, Liberal, Conservative and Southern European). We believe that poverty risks around childbirth are profoundly stratified according to the specific characteristics and ways of functioning of the national welfare systems and the value they assign to maternity and family policies. While Southern European countries, in fact, are well known for the scarce attention their welfare systems pay to 'the future generations of citizens', Conservative and Social-Democratic stand at the opposite for the amount of investments on family policies. We compare households' risks of entering in poverty around childbirth using pooled longitudinal Eu-Silc databases (2007-2008-2009). We set out poverty threshold at 60 per cent of median equivalent disposable income using the "modified Oecd" equivalent scale. *Entry into poverty* is defined as the risk of being poor at t conditional of not being poor at $t-1$.

Results show that in all welfare clusters, the risks of entering poverty are concentrated on weak labour market household arrangements such as precarious families (fixed-term contract and out of work or unemployed) and single women, but it is just in the sub-protective Southern European welfare system that childbirth turns to be a real poverty-triggering event, thus fostering a process of cumulative disadvantage. Southern European countries are extremely under-protective for families' risks around childbirth, especially for

"traditional" (say: single-earner) and less "labour market attached" household arrangements – as a consequence of the peculiar kind of labour market deregulation 'at the margins'. This situation is, by definition, largely productive of additional inequality as families' possibility to act as welfare institutions largely depend on the previous, unequal, stratification of social resources.

Poverty entry – Predicted probabilities and marginal effects of poverty entry within HH arrangements with or without children 0-2 across welfare systems. (Random effect probit model)



Model specification: WS Cluster*Child 0-2 + Child 0-2*HH arrangement + WS Cluster* Child 0-2*HH arrangement