

Bolsa Família and the Continuous National Household Survey (PNAD continua)

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Introduction

Continuous National Household Survey (*PNAD Contínua 2016*): allowed the **direct identification** of Bolsa Família beneficiaries

Findings regarding Bolsa Família are here divided in two main subjects:

1. Targeting aspects:

- Distribution of beneficiaries by deciles of per capita household income
- Benefit incidence by deciles of monthly household income per capita
- Targeting comparison with other Latin and Central America CCTs

2. Labor market:

- Activity rate
- Composition rate of underused workforce
- Workforce in the informal economy

Methodology

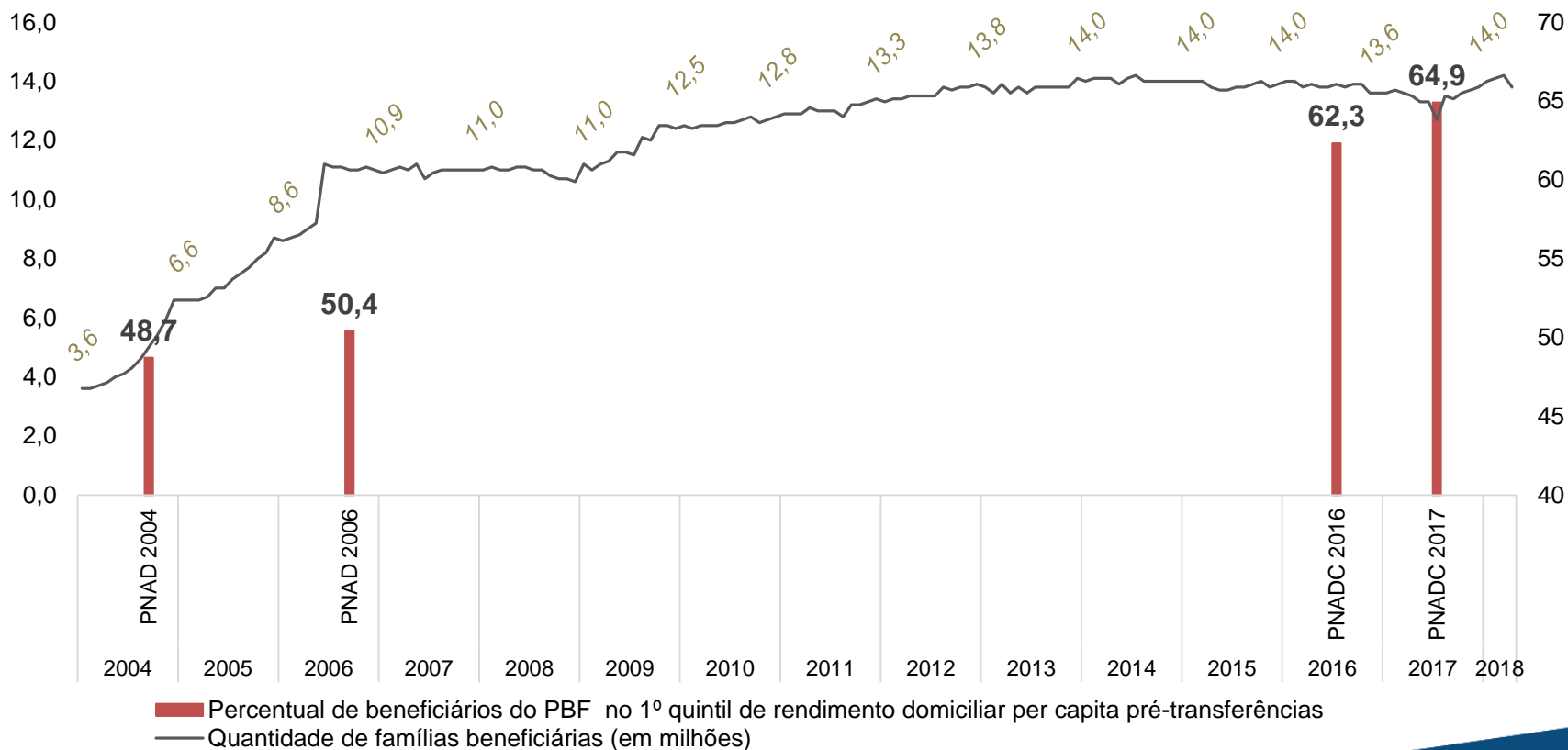
- ▶ The 1st interview of *PNAD Annual Contínua* 2016/IBGE was used.
- ▶ Household income per capita was calculated according to IBGE's instructions.
- ▶ All members of the household were considered as indirect beneficiaries of Bolsa Família, whenever the respondent was identified as a participant of PBF.
- ▶ Residents listed as domestic employees and/or their respective relatives, as well, as residents renting rooms were excluded from the study.
- ▶ Labor Market indicators were calculated using the age of 16 and more, with no age upper limit.



Targeting

Targeting

Distribution of Bolsa Família families in the **poorest quintile (20%)** of monthly per capita household income – Brazil, 2016
(excluding non-monetary incomes and the CCT benefit)

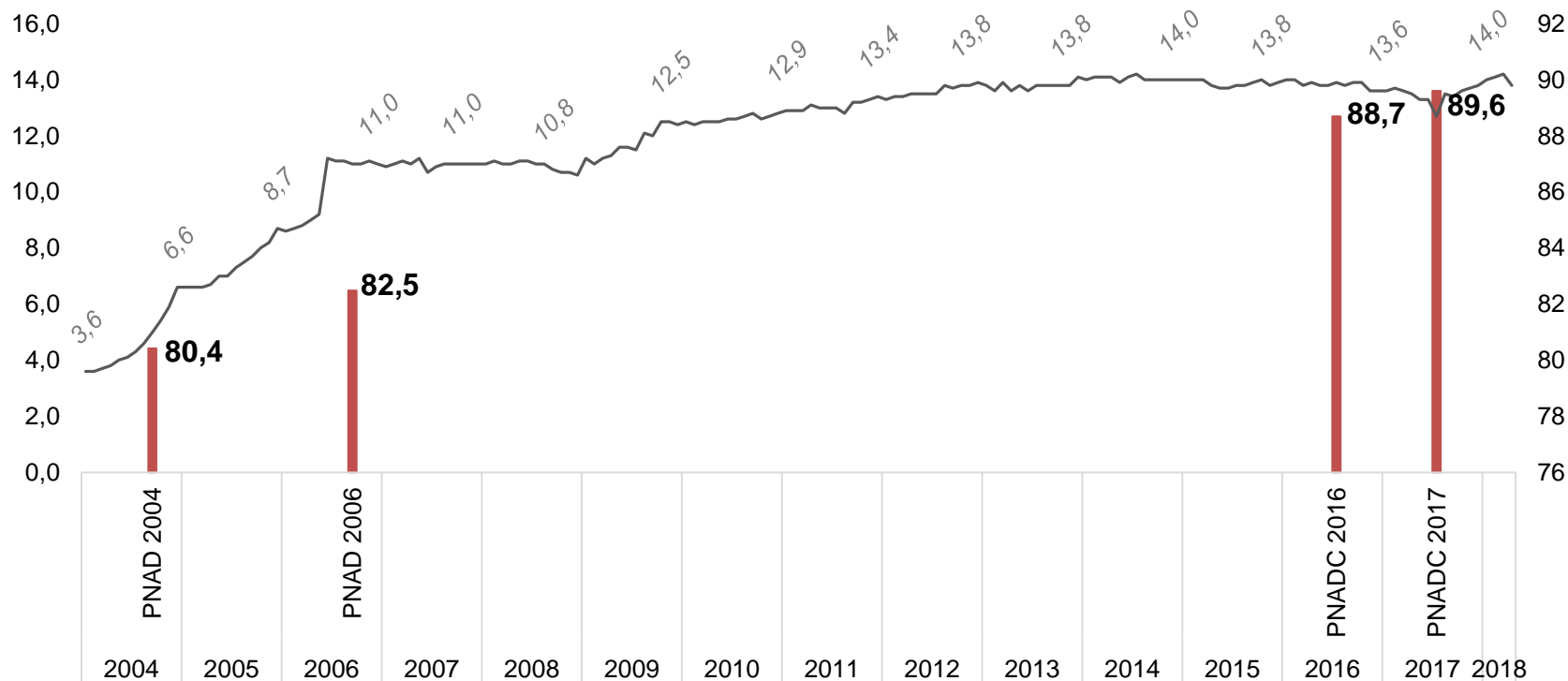


Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

Targeting

Distribution of Bolsa Família families in **1st and 2nd quintiles (40%)** of monthly per capita household income – Brazil, 2016
(excluding non-monetary incomes and the CCT benefit)



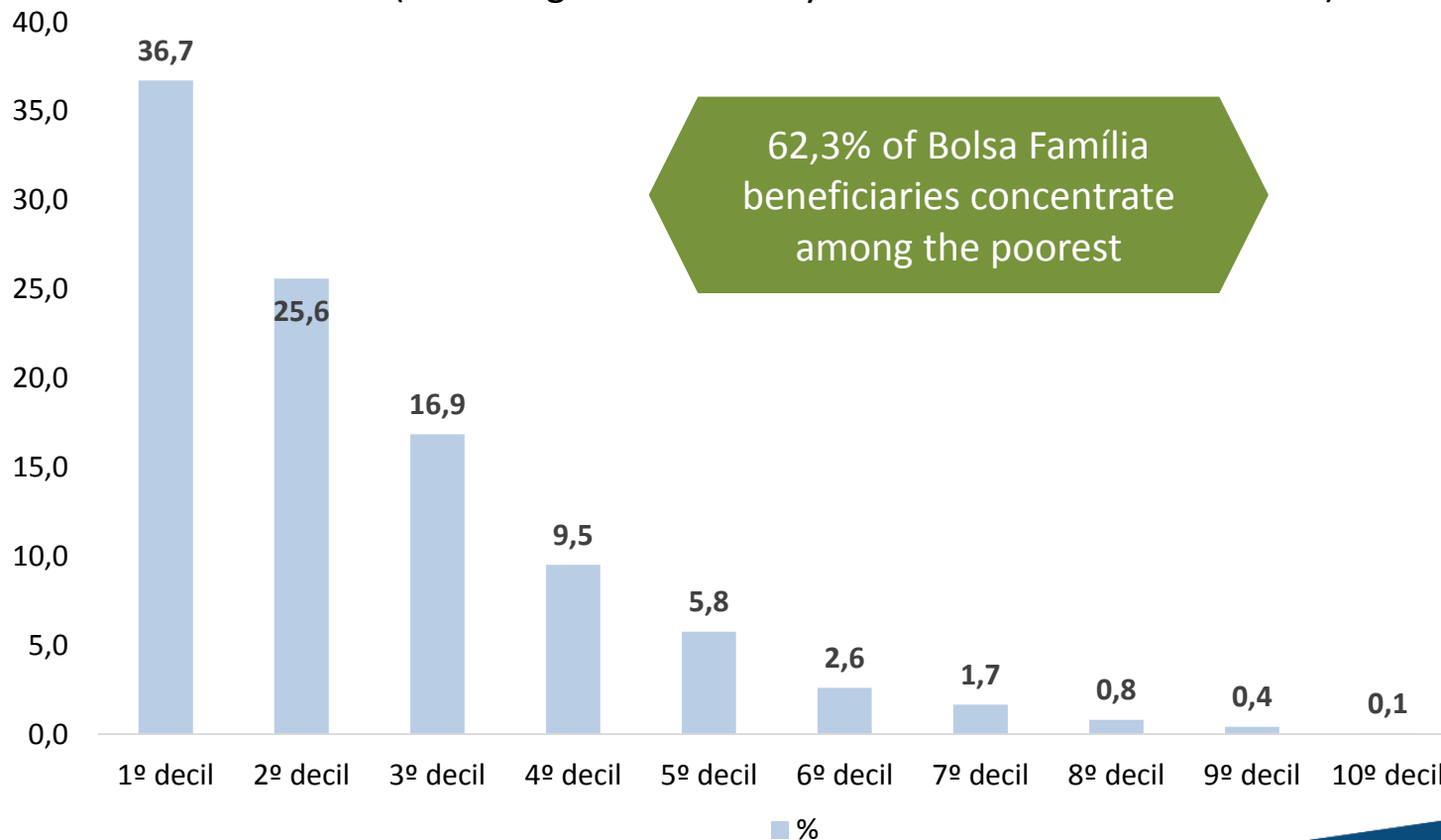
■ Percentual de beneficiários do PBF nos 1º e 2º quintis de rendimento domiciliar per capita pré-transferências
— Quantidade de famílias beneficiárias (em milhões)

Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

Targeting

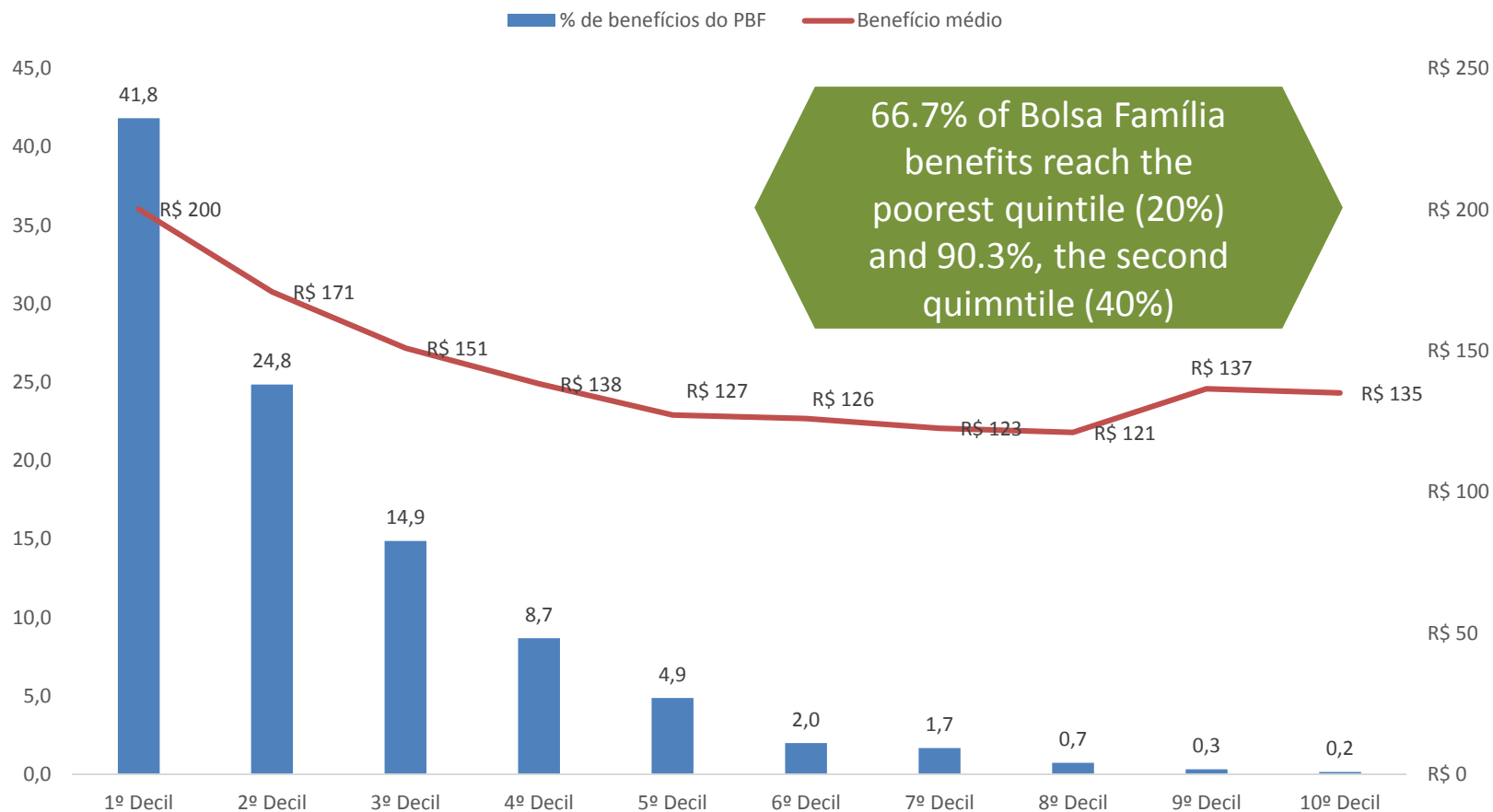
Average benefit and distribution of Bolsa Família households by decile of nominal per capita monthly household income – Brazil, 2016
(excluding non-monetary incomes and the CCT benefit)



Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Targeting

Benefit incidence by deciles of nominal per capita monthly household income – Brazil, 2016
(excluding non monetary incomes and the CCT benefit)

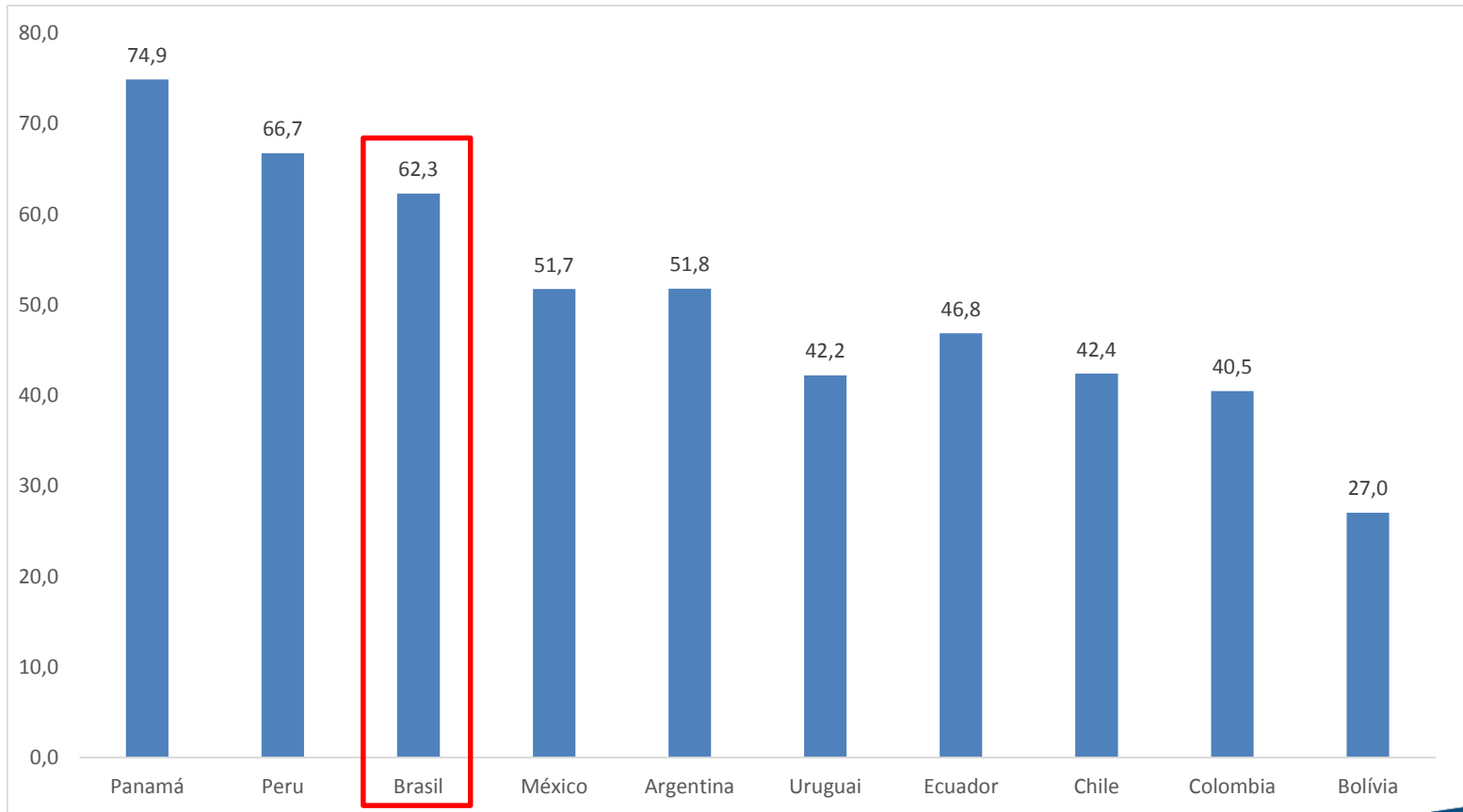


Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

CCTs in Latin America

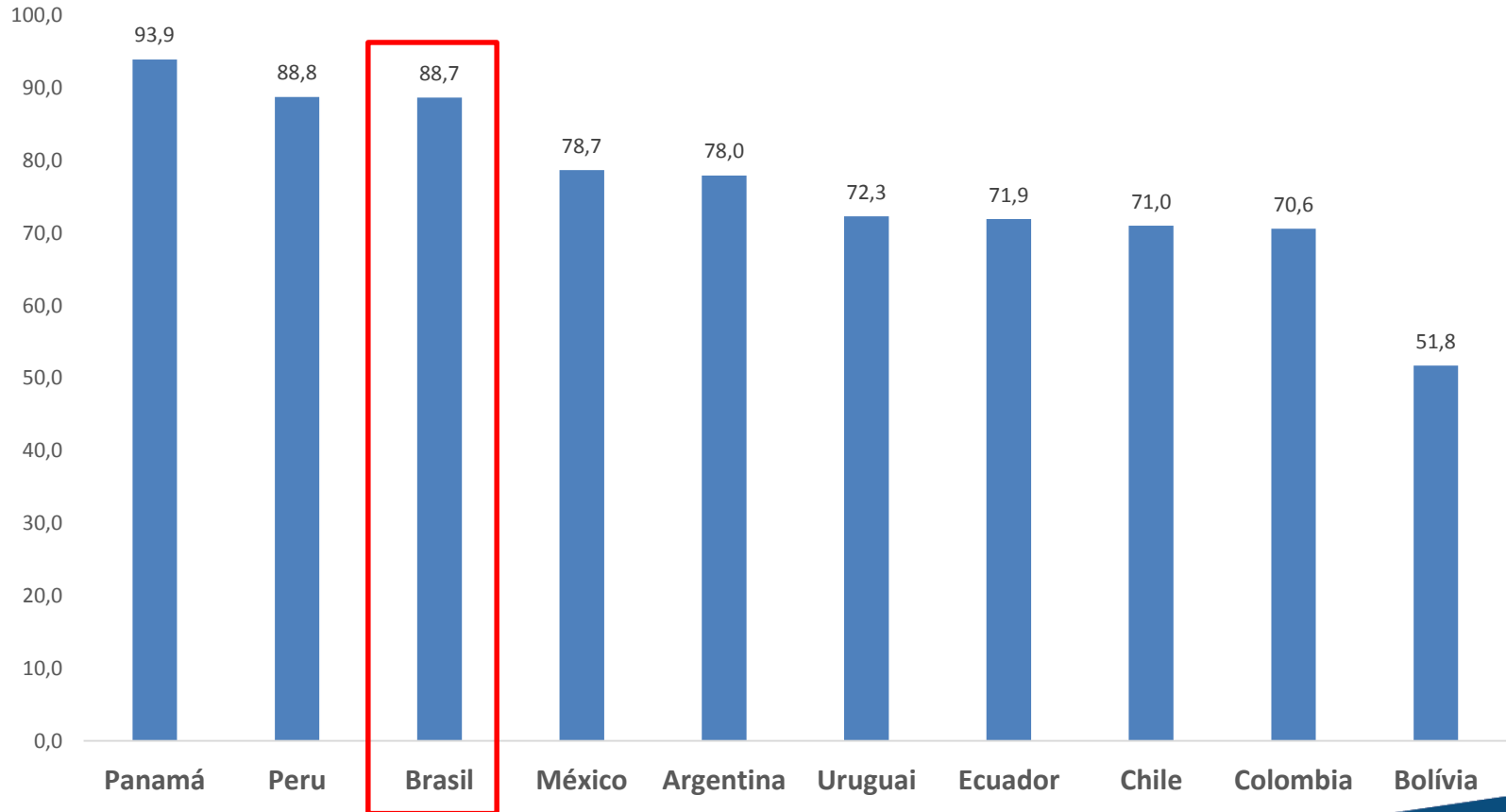
Percentage of beneficiaries among the poorest quintile (20%) – excluding CCTs the benefit



Source: ASPIRE/World Bank and *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

CCTs in Latin America

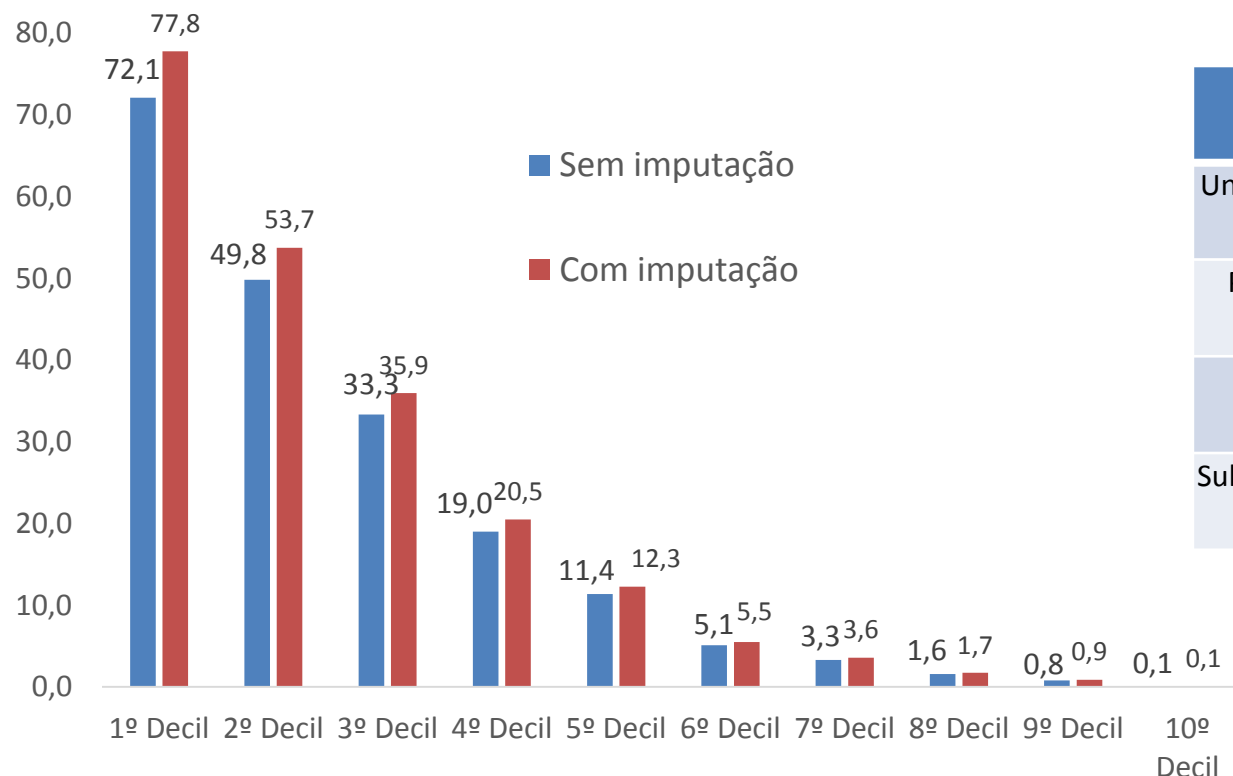
Percentage of beneficiaries among the second quintile (40%) – excluding the CCT benefit



Source: ASPIRE/World Bank and *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Targeting

Distribution of beneficiaries by deciles of per capita household income and comparison between Bolsa Família participation with and no imputation – Brazil, 2016 (excluding non-monetary income and the CCT benefit)

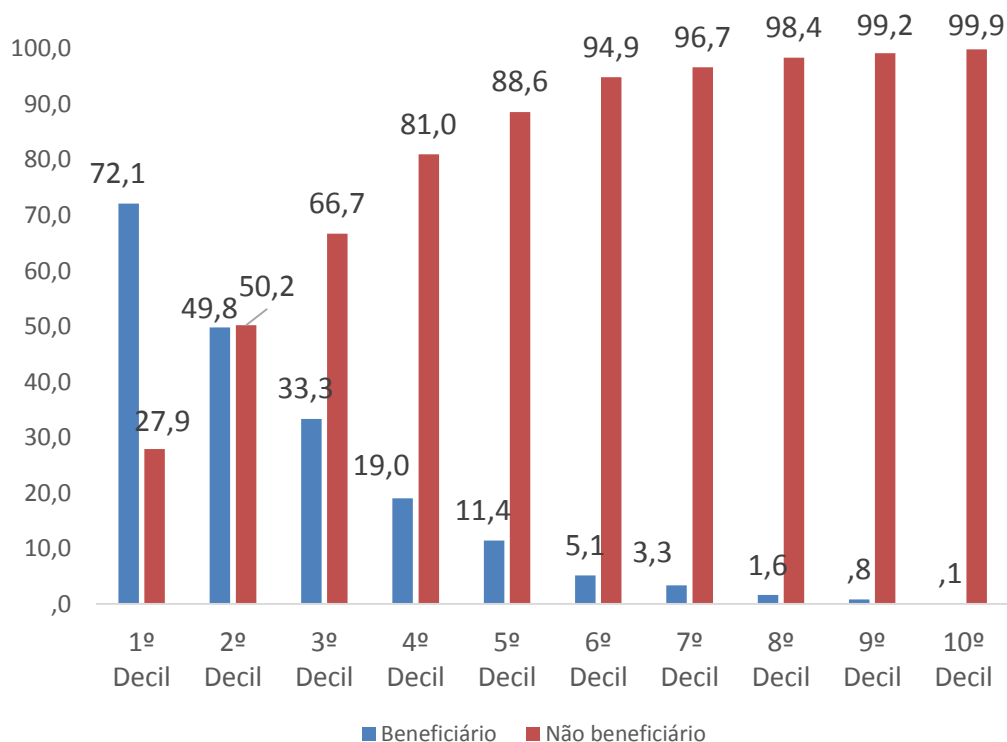


	Beneficiaries
Unified Registry (a)	43.701.213,00
PNAD 2016 (b)	40.520.406,15
Difference (c = a - b)	3.180.806,85
Sub notification (%)	7,27%

Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
 Draw up by the Ministry of Social Development (SENARC/MDS)

Targeting

Distribution of beneficiaries and non-beneficiaries of Bolsa Família by deciles of per capita monthly household income – Brazil, 2016
(excluding non-monetary income and CCT benefit. Incomes were inflation-adjusted to mean prices of 2016)



72.1% of the 10% poorest are Bolsa Família beneficiaries

Deciles	Values of per capita household income
1	Up to R\$168,00
2	R\$168,01 - R\$298,00
3	R\$298,01 - R\$437,00
4	R\$437,01 - R\$575,00
5	R\$575,01 - R\$734,00
6	R\$734,01 - R\$895,00
7	R\$895,01 - R\$1.142,00
8	R\$1.142,01 - R\$1.559,00
9	R\$1.559,01 - R\$2.527,00
10	R\$2.527,01 - R\$493.160,00

Minimum wage july/16 = R\$880

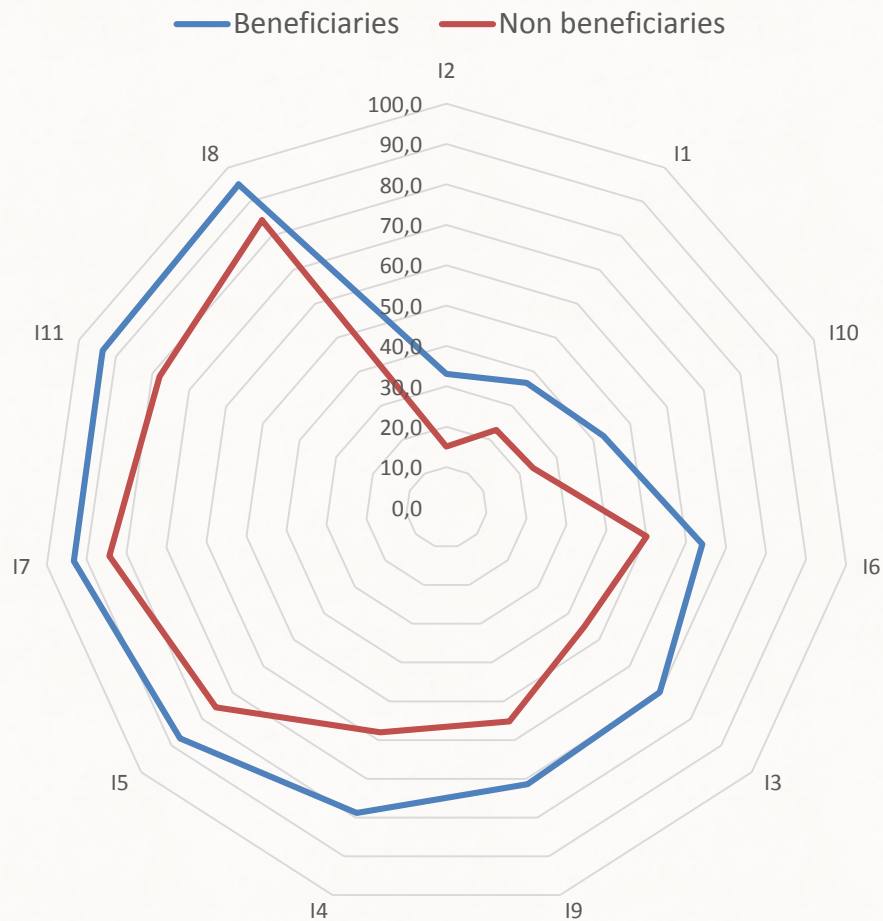
Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Percentage of households in the 1st & 2nd and 5th to 10th decile by access to utility services, durable goods & services and education - Brasil, 2016

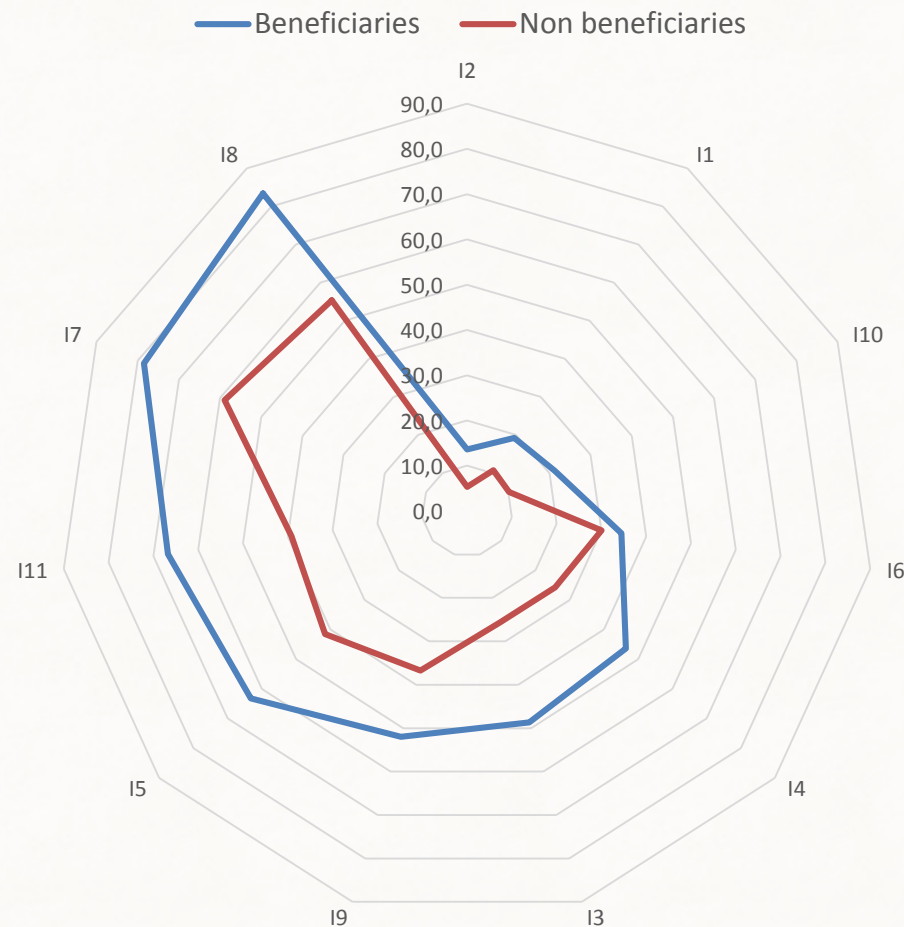
Indicators		1st & 2nd deciles		5th to 10th decile	
		PBF	Non PBF	PBF	Non PBF
Basic utility services	No water supply by general network, or water supply but without plumbing connecting to least one room in the household (I1)	36,7	22,8	19,2	10,7
	Without direct or indirect garbage collection (I2)	33,1	15,1	13,6	5,3
	Without bathroom or with drainage ditch, but not connected to the general network (I3)	69,9	45,1	48,7	25,7
Services & durable goods	No washing machine (I4)	78,8	58,0	46,4	25,7
	No car (I5)	87,3	75,5	63,2	41,5
	No internet access (I6)	64,0	50,1	34,4	30,0
	No pay-TV service (I7)	93,2	84,3	78,5	58,9
	No telephone (land line) (I8)	95,1	84,5	83,4	55,3
Education	Head of household with no school or elementary school incompleted (I9)	71,4	55,2	52,0	36,7
Typology of utility services	None or only one essential utility service: water supply by general network or gargabe collection or sewage (I10)	42,7	23,6	21,3	10,2
Typology of services & durable goods	None or up to 2 services & durable goods: washing machine, car, internet, pay-TV service, land line telephone (I11)	93,6	78,1	66,8	39,2

Percentage of households in 1st & 2nd and 5th to 10th decile by access to utility services, durable goods & services and education - Brasil, 2016

1st & 2nd deciles



5th to 10th decile



Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.
 Draw up by the Ministry of Social Development (SENARC/MDS)

Targeting

Distribution of monthly household income by income source and deciles – Brazil, 2016
(inflation adjusted values for 2016)

Income source	1º Decil	2º Decil	3º Decil	4º Decil	5º Decil	6º Decil	7º Decil	8º Decil	9º Decil	10º Decil
Labor	53,3	68,5	69,9	73,8	75,1	62,1	74,2	77,2	75,5	77,1
Bolsa Família	30,4	7,6	3,5	1,6	0,7	0,2	0,1	0,0	0,0	0,0
BPC	2,6	4,3	3,9	2,8	2,2	3,1	1,3	0,5	0,2	0,0
Pensions and retirement	5,3	13,6	17,9	17,5	17,8	31,2	20,5	18,4	20,0	16,8
Alimony, child support, donations	6,5	3,1	2,1	1,5	1,5	1,1	1,1	1,1	1,1	0,7
Rents and leases	0,3	0,5	0,5	0,6	0,9	0,7	1,0	1,6	2,0	3,4
Other incomes (bank interests, scholarships, other social programs, and so on)	1,6	2,5	2,2	2,1	1,8	1,5	1,7	1,2	1,0	1,9
Total	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0	100,0

Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Minimum wage (July 2016) = R\$880

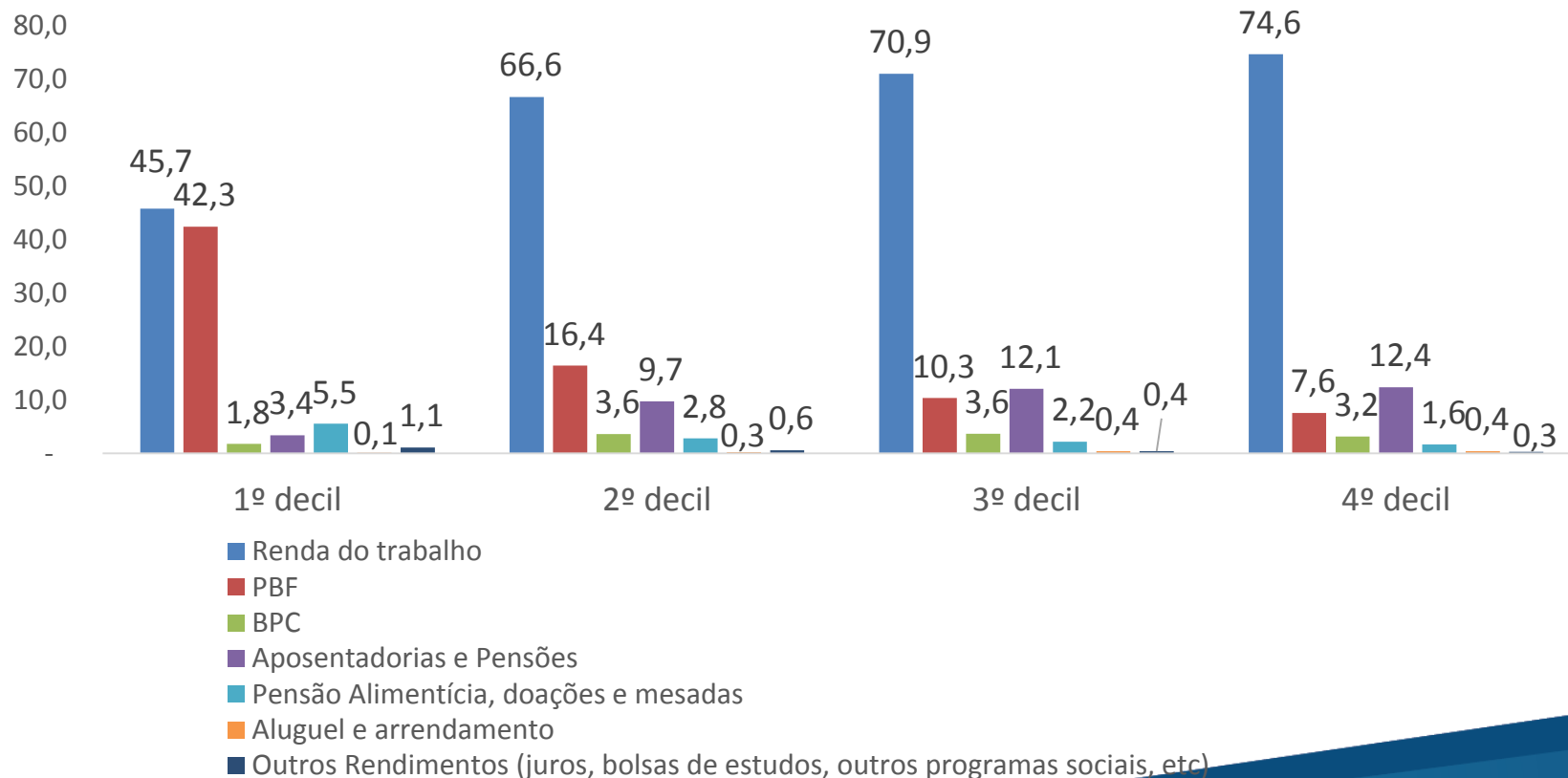
PBF represents 30,4% of per capita monthly household income among 10% poorest

Bolsa Família income representation in the household income progressively decreases from the poorest decile onwards, reaching less than 1% from the 5th decile onwards

Targeting

Distribution of **Bolsa Família** beneficiaries monthly household income by income source, 1st to 4th decile – Brazil, 2016

(values adjusted by 2016 inflation, Bolsa Família beneficiaries only)



Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.

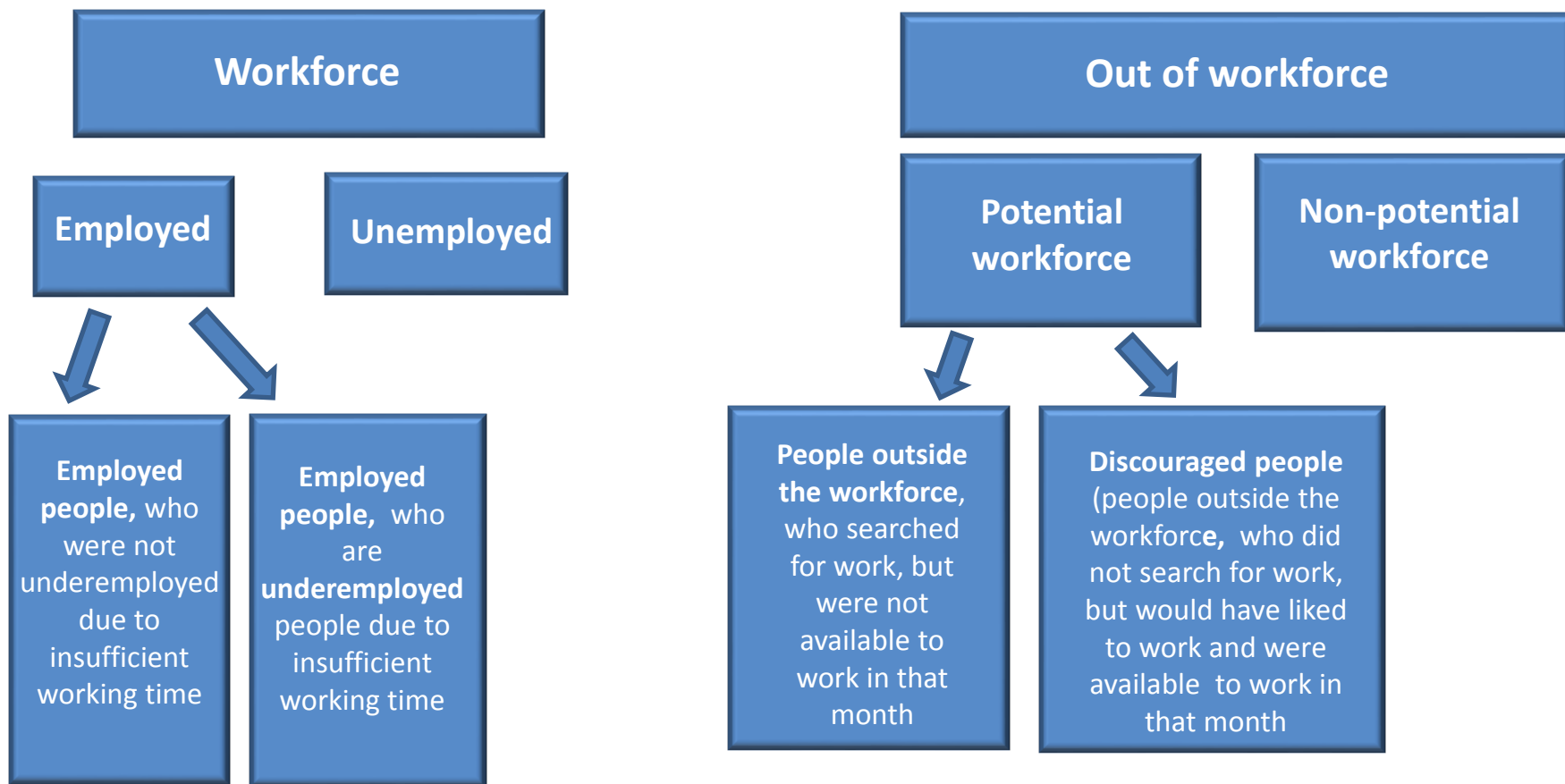
Draw up by the Ministry of Social Development (SENARC/MDS)

Labor Market



Market labor indicators

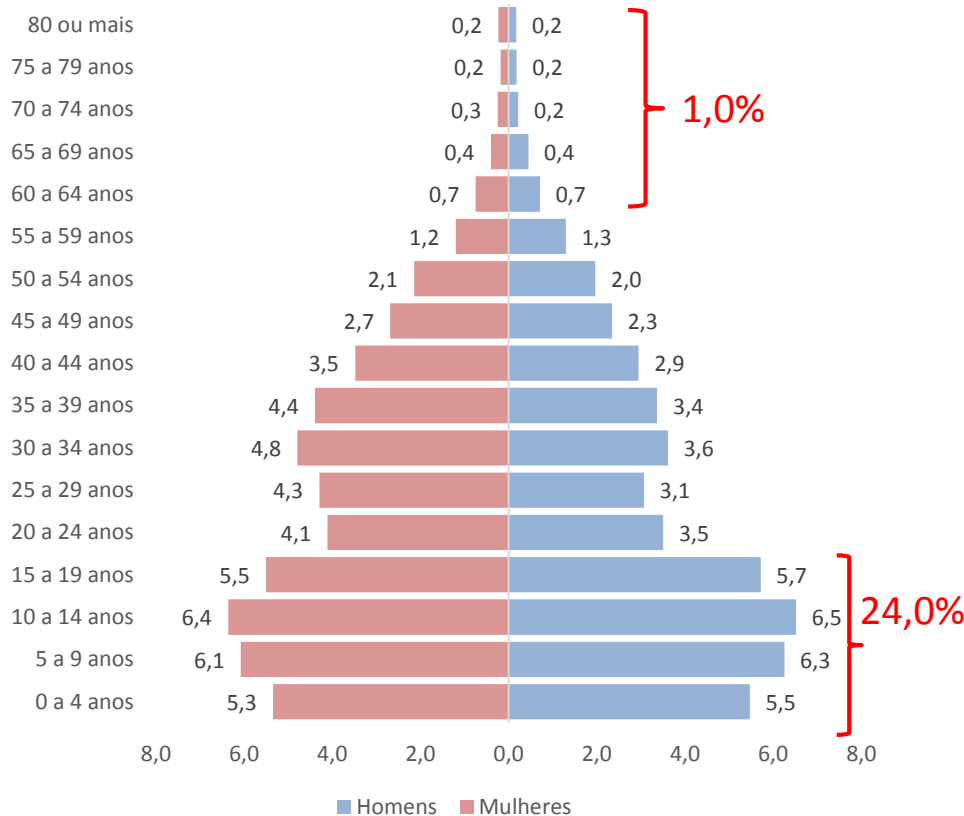
(older than 16)



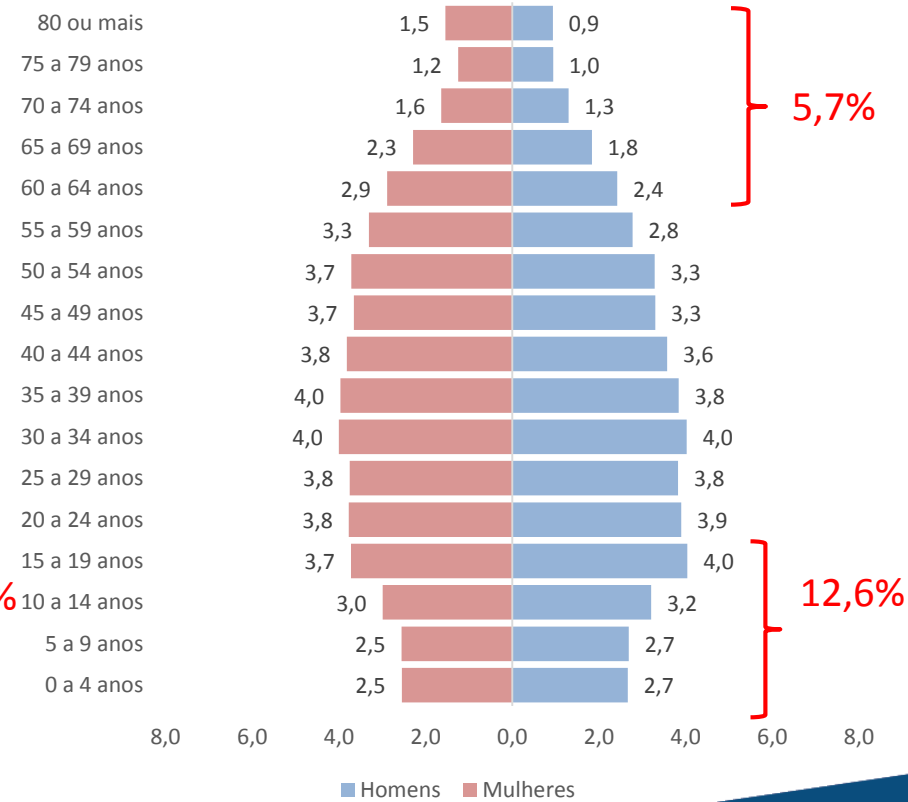
Age-sex pyramid

(in % of total pop.)

Beneficiaries



Non-beneficiaries



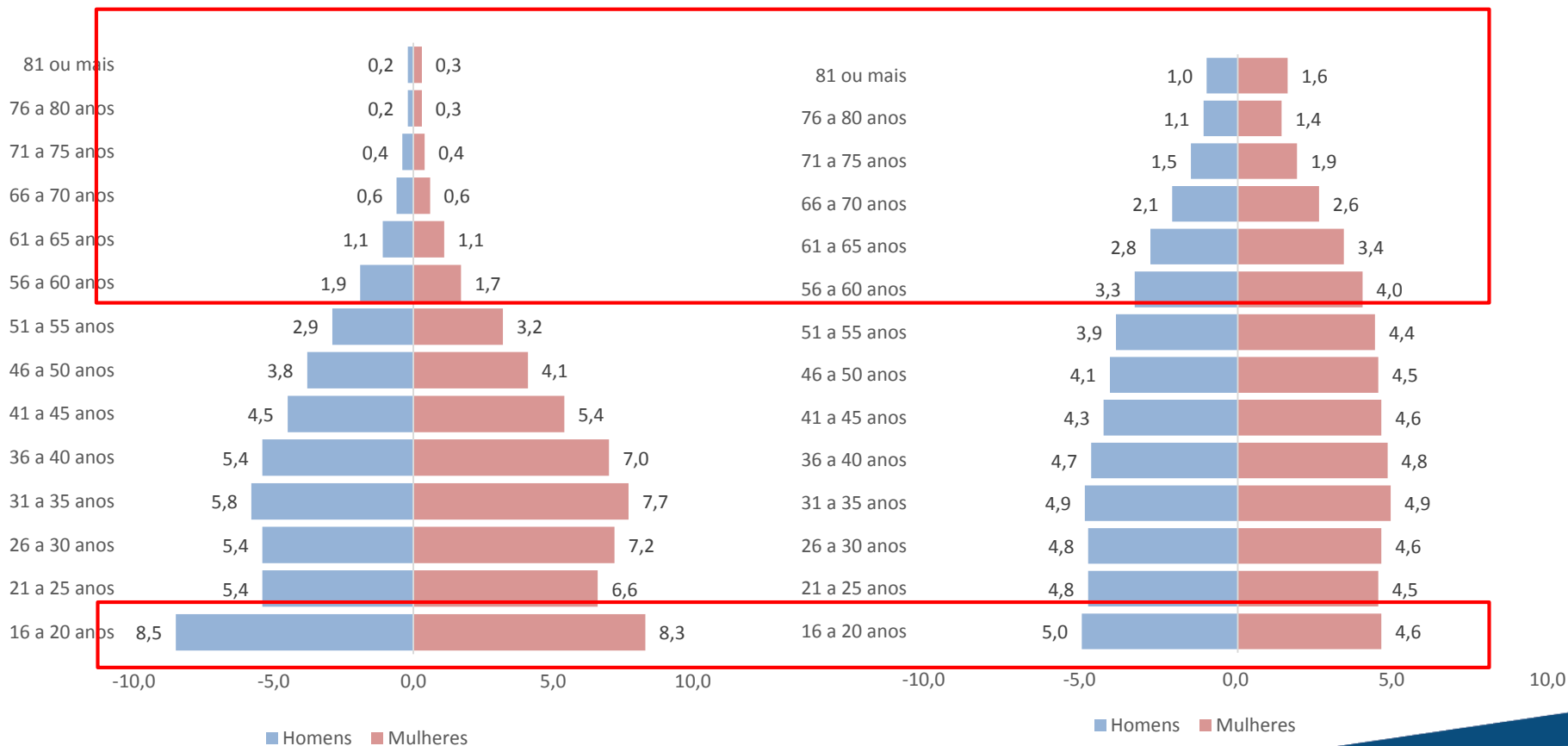
Source: ASPIRE/World Bank and PNAD Contínua Anual, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Working age pyramid

(above 16 years old) in %

Beneficiaries

Non-beneficiaries



Source: Unified Registry and *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
 Draw up by the Ministry of Social Development (SENARC/MDS)

Activity rate

Distribution of the working age population by participation in Bolsa Família and activity condition – Brazil, 2016

Activity condition	Beneficiaries		Non beneficiaries		Total	
	N	%	N	%	N	%
Workforce (a)	15.216.674	61,2	87.027.593	64,5	102.244.266	64,0
Outside the workforce (b)	9.642.079	38,8	47.933.206	35,5	57.575.284	36,0
Total	24.858.752	100,0	134.960.798	100,0	159.819.551	100,0

Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

The activity rate of Bolsa Família beneficiaries (61,2%) is slightly lower in relation to non-beneficiaries (64,5%) due to **changes in survey's design and questionnaire and the introduction of new labor market indicators.**



The gap in activity rates reflects:
i) an increased difficulty of beneficiaries to join the labor market
ii) younger age structure

Activity rate

Distribution of the working age population by participation in Bolsa Família and activity condition

Activity condition			Beneficiaries		Non-beneficiaries		Total	
			N	%	N	%	N	%
Workforce	Employed	Employed (c)	10.870.554	43,7	74.823.822	55,4	85.694.376	53,6
		Underemployed (h)	1.769.004	7,1	3.217.320	2,4	4.986.324	3,1
	Unemployed	Unemployed (d)	2.577.116	10,4	8.986.451	6,7	11.563.567	7,2
Outside the workforce	Potential workforce	Potential workforce (i)	765.503	3,1	1.956.631	1,4	2.722.135	1,7
		Discouraged (j)	1.472.861	5,9	1.732.782	1,3	3.205.643	2,0
	Non-potential workforce	Non-potential workforce (f)	7.403.714	29,8	44.243.793	32,8	51.647.507	32,3
Total	Total	Total	24.858.752	100,0	134.960.798	100,0	159.819.551	100,0

Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

Underemployment due to insufficient working time is higher among beneficiaries (7,1%) than non-beneficiaries (only 2,4%)

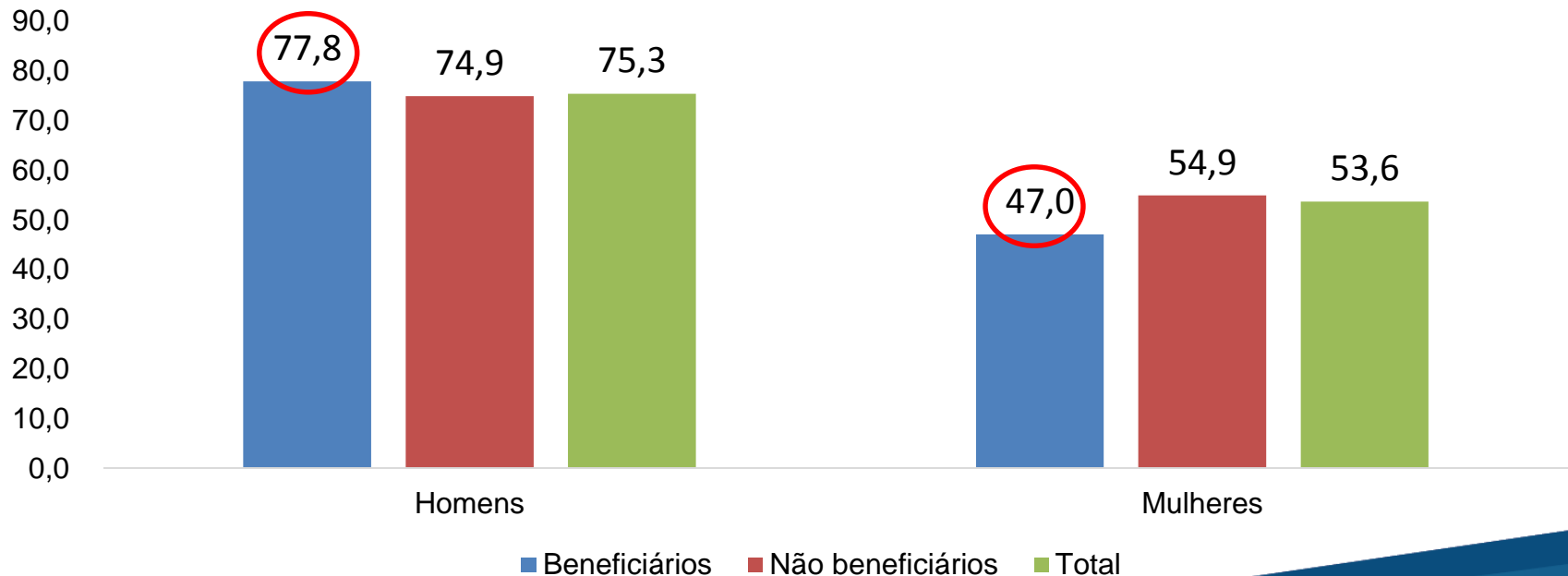
Unemployment (people with no work, who searched and were available to work) is higher for beneficiaries – 10,4%.

Activity rate

Activity rate of the working age population by **participation in Bolsa Família** and **sex** – Brazil, 2016

The difference between beneficiaries and non beneficiaries is mainly explained by a **gender gap**:

- ✓ less women (beneficiary or not) join the labor market
- ✓ Bolsa Família men have higher activity rate than non-beneficiaries men
- ✓ Bolsa Família women have lower activity rate than non-beneficiaries women

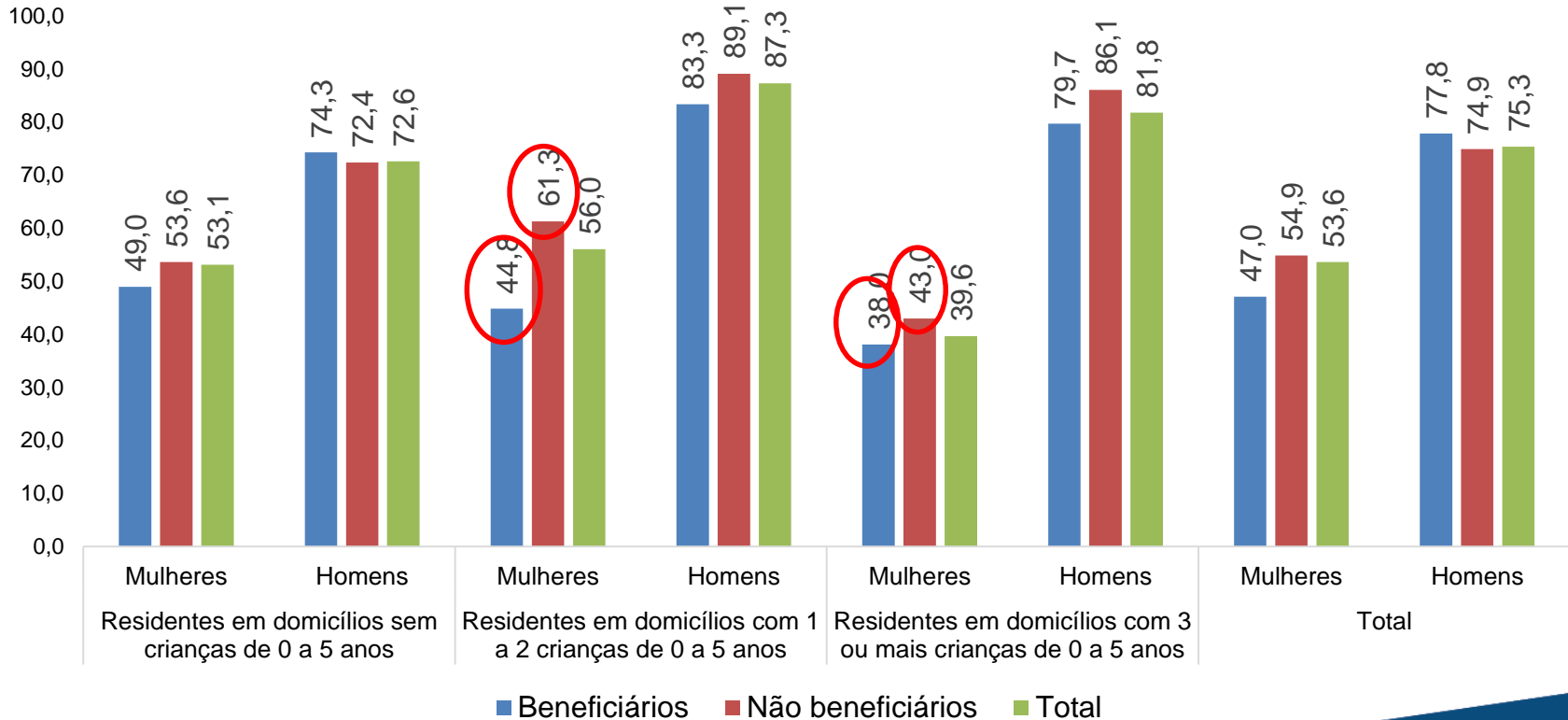


Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

Activity rate

Distribution of the working age population by **sex**,
number of children aged less than 5 years old and **participation in Bolsa Família** – Brazil, 2016

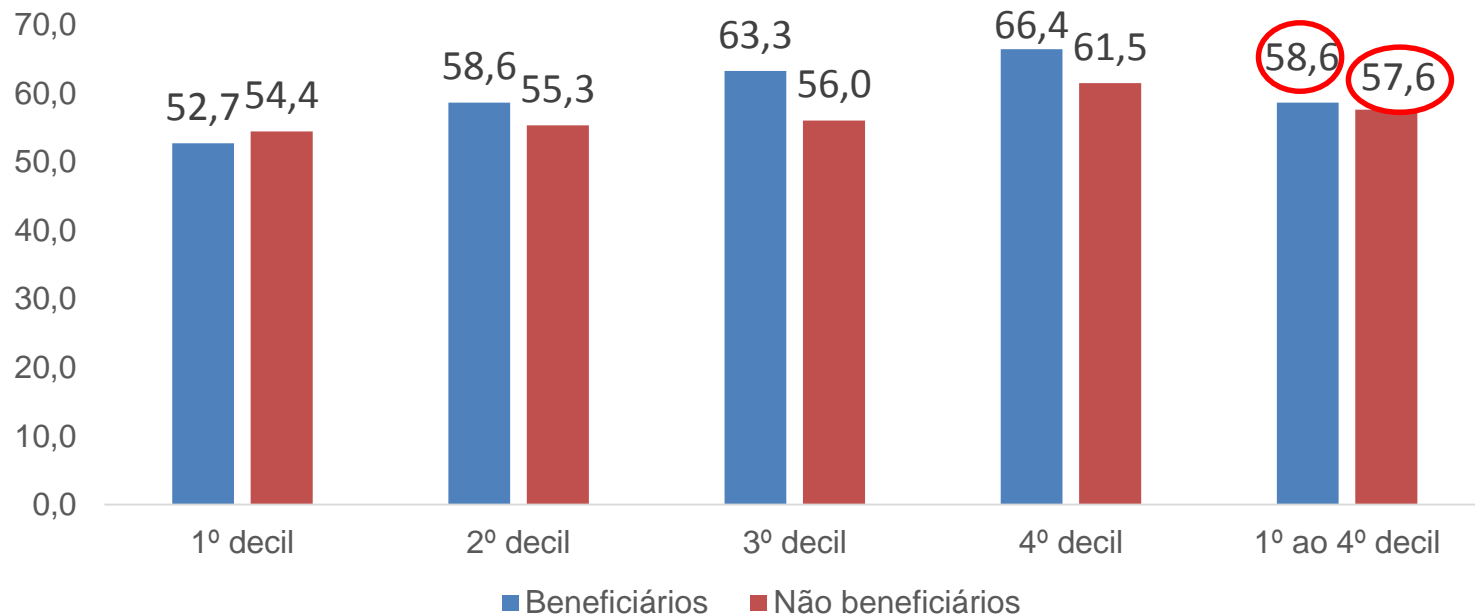


Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Activity rate

Activity rate by **participation in Bolsa Família** and by **deciles of per capita household income** – Brazil, 2016

- ✓ The activity rate among the poorest decile (10%) is similar to the non-beneficiaries' rate.
- ✓ From the 2nd to 4th decile, the activity rate is higher for PBF beneficiaries.

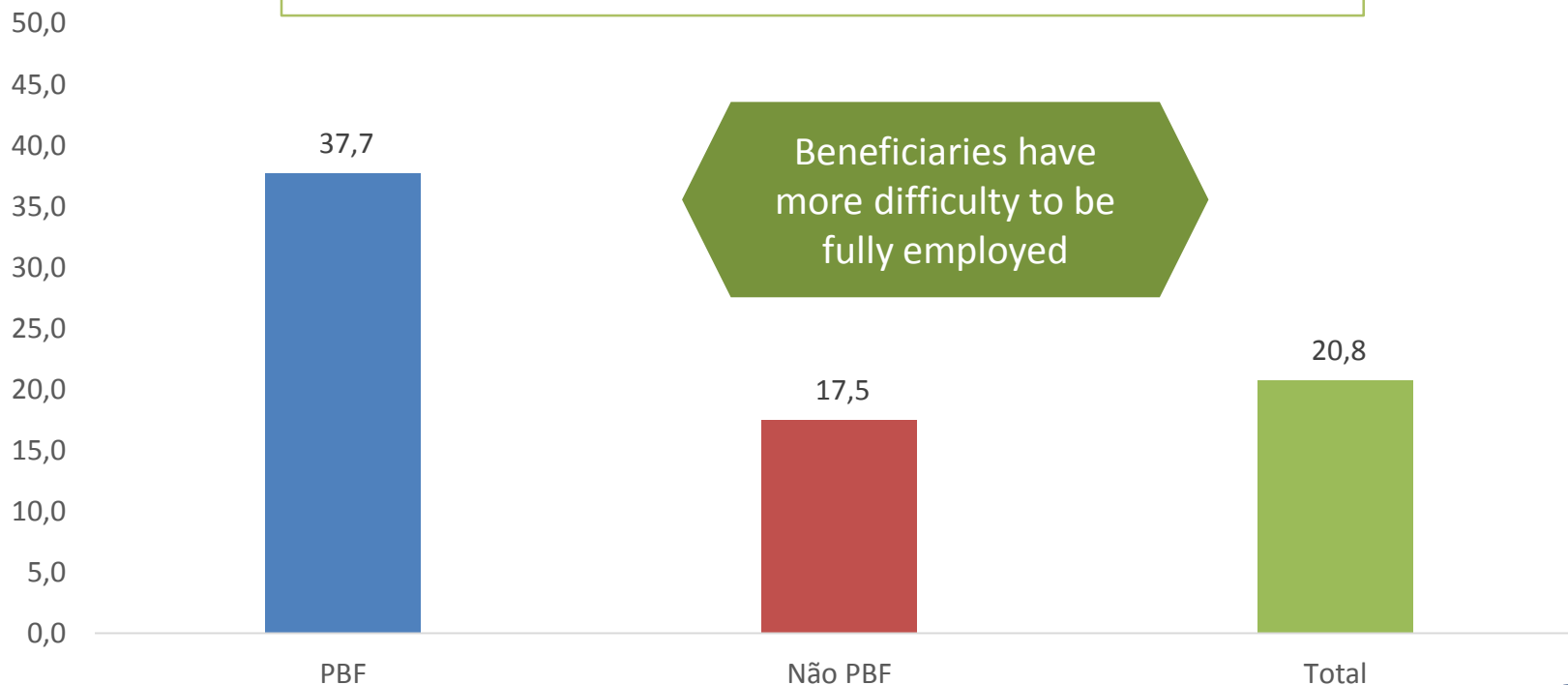


Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Under-utilization of workforce

Composite rate of under-utilization of the workforce:

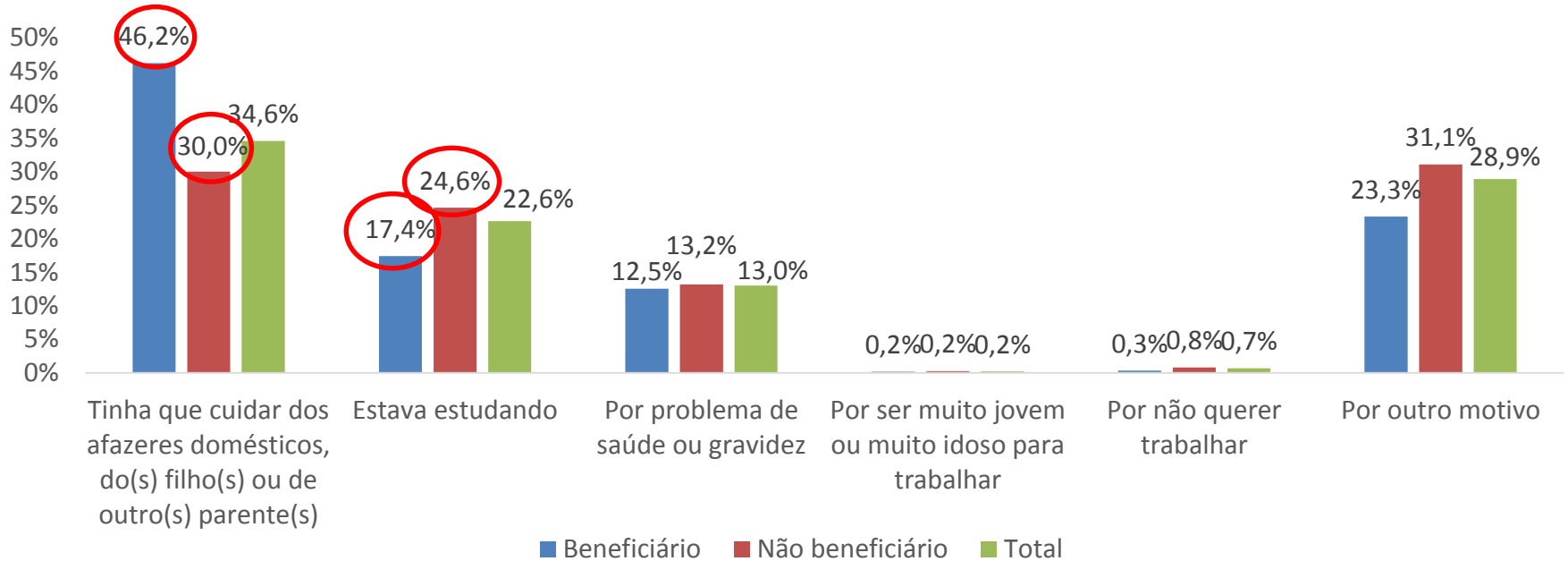
$$\frac{(\text{Underemployed} + \text{Unemployed} + \text{Potencial workforce})}{(\text{Workforce} + \text{Potencial workforce})}$$



Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Potential workforce

Distribution of beneficiaries and non beneficiaries in the potential workforce by **reason why did not search for work or did not wish to have worked or was not available to start working** – Brazil, 2016



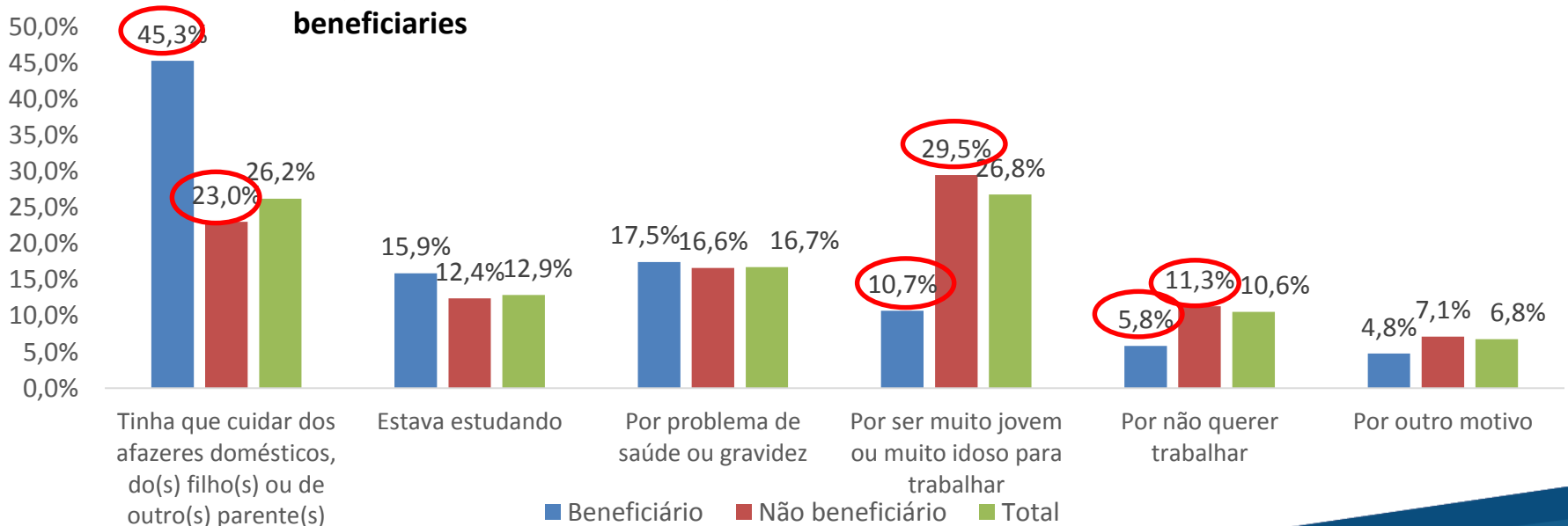
Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

- ✓ **46% of beneficiaries** in the potential workforce has pointed out **caring activities** as a reason to not have searched for work; wished they had a work or been available to work
- ✓ Caring activities were mentioned by only **30% of non-beneficiaries** in the potential workforce

Non-potential workforce

Distribution of beneficiaries and non beneficiaries **not in the potential workforce** by reasons why **did not search for work or did not wish to have worked or was not available to start working** – Brazil, 2016

- ✓ **45% of beneficiaries** have said that **caring activities** is the main reason to stay out of the potential workforce
- ✓ **29,5% of non-beneficiaries** justified being **too old or too young** to work whereas only **10,7% of beneficiaries** pointed the same reason
- ✓ Only **5,8% beneficiaries** said they **did not want to work** compared to **11,3% of non-beneficiaries**

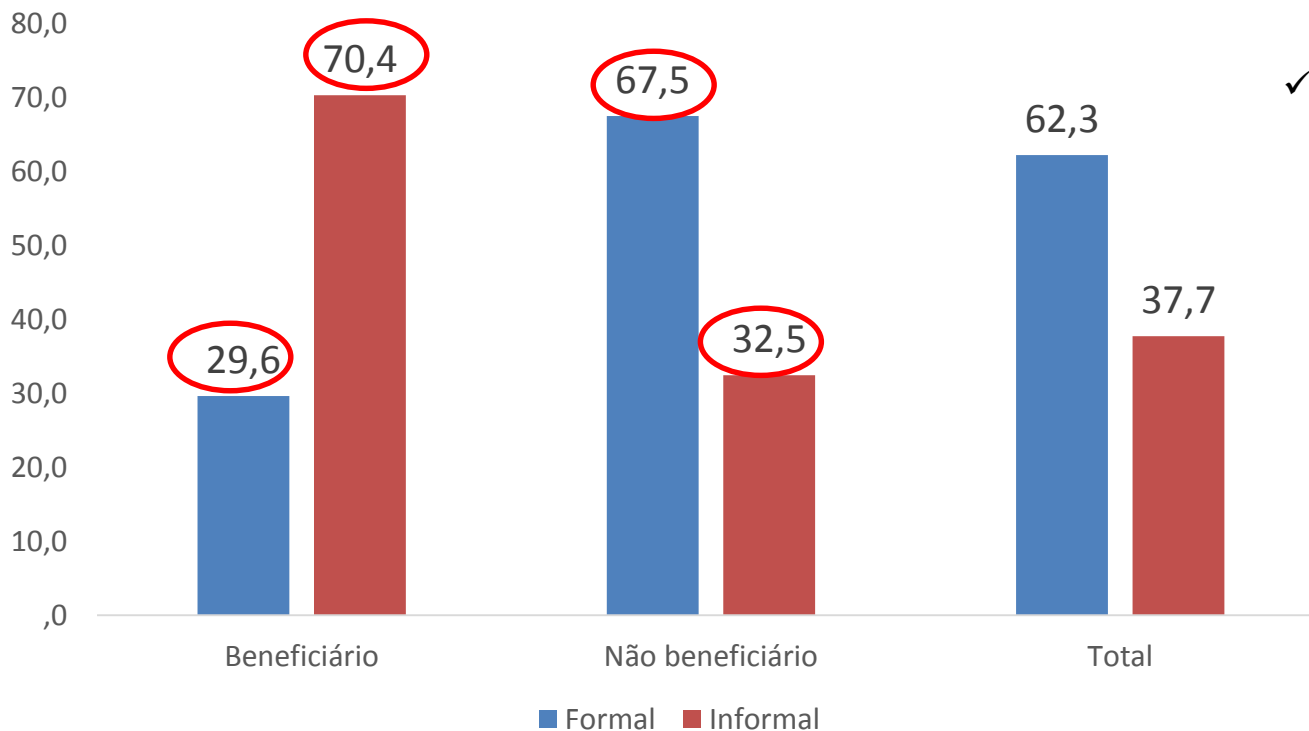


Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

Informal employment

Working age population by **participation in Bolsa Família** and **formality/informality** of employment – Brazil, 2016



✓ **Less than 30% beneficiaries** have a formal work situation, whereas **67,5% of non-beneficiaries** has a formal work situation.

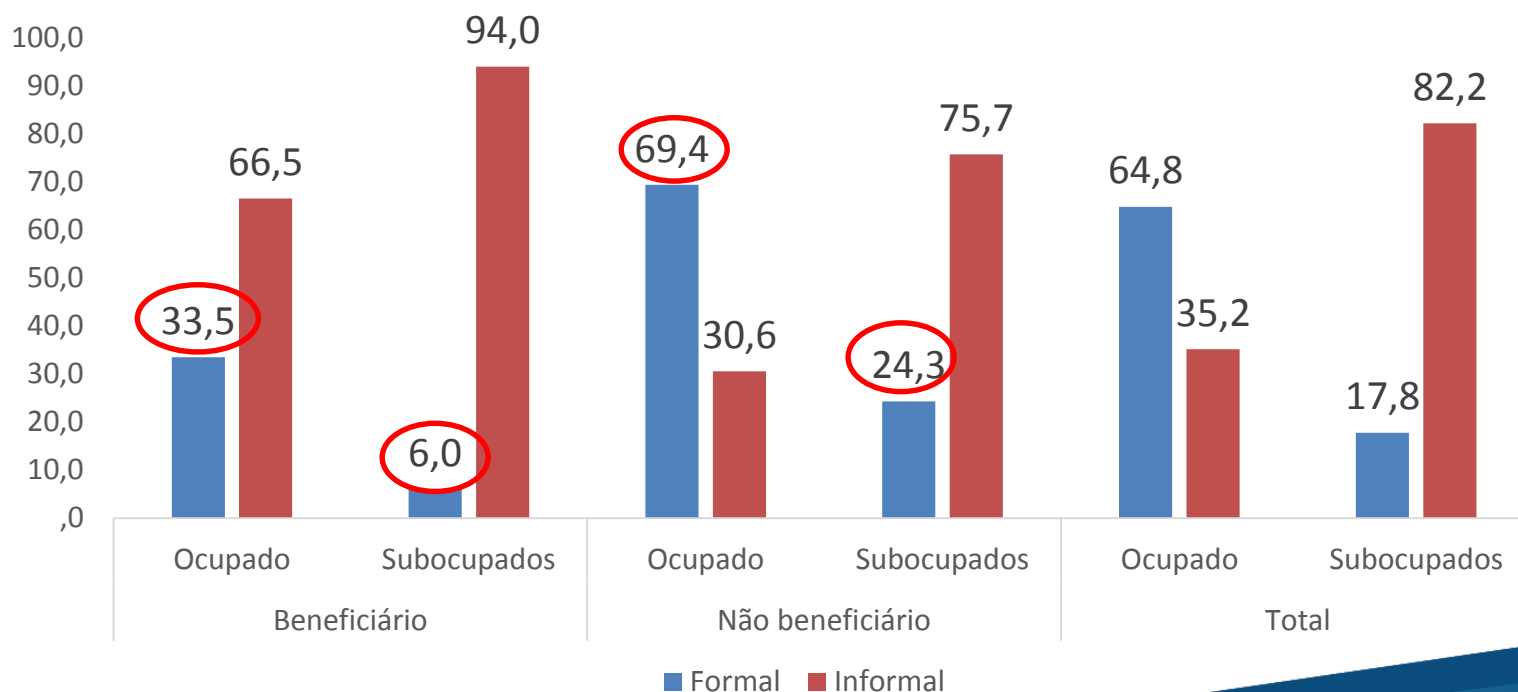
Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

Informal employment

Employed working age population by participation in Bolsa Família and fully/underemployment situation - – Brazil, 2016

- ✓ Among the underemployed beneficiaries, only 6% is working formally, which indicates a **fragile and insecure working situation**, leading to a **high volatility of income**



Source: *PNAD Contínua Anual*, 1st Interview, 2016/IBGE.
Draw up by the Ministry of Social Development (SENARC/MDS)

Employment by economic activity

Distribution of employed (occupied) population older than 16 years old according to participation in Bolsa Família – Brazil, 2016

Economic activity	Beneficiaries		Non-beneficiaries		Total	
	N	%	N	%	N	%
Agriculture, livestock, forestry, fishing e aquiculture	3.288.585	26,0	5.729.283	7,3	9.017.868	9,9
Industry	1.181.212	9,3	10.285.442	13,2	11.466.655	12,6
Construction	1.615.827	12,8	5.799.345	7,4	7.415.172	8,2
Retail, auto and motorcycle repairs	2.057.715	16,3	15.345.946	19,7	17.403.661	19,2
Transport, warehousing e mailing services	454.628	3,6	4.183.466	5,4	4.638.094	5,1
Accommodation and food	640.401	5,1	4.056.712	5,2	4.697.113	5,2
Information services, finances and communication activities, real estate, liberal and administrative professionals	467.184	3,7	9.401.590	12,0	9.868.773	10,9
Public administration, armed forces e social security	292.359	2,3	4.843.672	6,2	5.136.030	5,7
Education, health and social services	533.122	4,2	9.978.846	12,8	10.511.968	11,6
Other services	543.893	4,3	3.841.970	4,9	4.385.864	4,8
Domestic services	1.564.006	12,4	4.569.722	5,9	6.133.728	6,8
Poorly defined activities	626	0,0	5.147	0,0	5.773	0,0

Source: PNAD Contínua Anual, 1st Interview, 2016/IBGE.

Draw up by the Ministry of Social Development (SENARC/MDS)

Approximately 68% of beneficiaries concentrate in agriculture, livestock production, fishing, construction, retail and domestic services

Approximately 58% of non-beneficiaries concentrate in activities such retail, industry, education, health and social services, and also information and communication services

Thank you!



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