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The distributional effects of income support to families with children at local level: A spatial microsimulation analysis of Greece and Italy

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Abstract

The paper showcases a new spatial microsimulation model, developed as an extension of EUROMOD (the tax-benefit model for the EU), which allows us to evaluate the fiscal and distributional impact of public policies at local level. Adding spatial detail to microsimulation requires microdata reflecting the characteristics of individuals and households in particular regions, cities, or neighbourhoods. Given the lack of geographically disaggregated microdata at sub-national level, spatial microsimulation combines small area census data, tax return data in aggregate form, and survey microdata at the national or at best regional level, in order to simulate a synthetic population whose characteristics mirror as closely as possible those of the local communities under examination. We use EU-SILC data to create representative samples at local level by modifying the sampling weights based on information derived from population census and income tax returns. We apply the model to assess the anti-poverty effects of child benefits in Greece (*Επίδομα παιδιού*) and Italy (*Assegno Unico Universale*) at local level. We assess such effects by comparing the actual income distribution, observed under the reform, with the counterfactual one, that would have prevailed had the previous system been allowed to continue, on the basis of the total child poverty gap, an indicator that combines the poverty rate and the poverty gap. We compute the indicator by reference to two poverty benchmarks, set at 60% and 40% of median household equivalent disposable income respectively. We compare the values of the total child poverty gap under the new and the old policy regimes, in 74 local administrative units in Greece, roughly equivalent to the NUTS-3 level, and 107 provinces in Italy. Our results reveal considerable heterogeneity at local level, inform the debate on the optimal design of income support to families with children in the two countries, and illustrate the potential of spatial microsimulation as a tool for the analysis of the local effects of public policies.

Keywords

Spatial microsimulation, child poverty, Greece, Italy

JEL codes

I38, I32, R28

1. Introduction

This paper showcases a new spatial microsimulation model, developed as an extension of EUROMOD (the tax-benefit model for the European Union), enabling the evaluation of the fiscal and distributional impact of public policies at local level.

Microsimulation techniques have long been established, and are widely used by governments around the world for the analysis of redistributive policies. In particular, EUROMOD is being currently used by researchers and policy analysts across Europe and beyond, as well as by member state governments and the European Commission. EUROMOD enables users to calculate in a comparable manner the effects of taxes and benefits on household incomes and work incentives for the population of each member state and for the EU as a whole. Cross-country comparability is enabled by coding the policy systems of all member states according to a common framework based on a standard set of modelling conventions. The findings of microsimulation research are often quoted in the media in the context of reporting on government policies and their impact on households (Sutherland & Figari 2013).

The limitations of most microsimulation models' traditional reliance on national-level data have been made plain by the growing importance of the local level as the focus of analysis. Again, several factors have contributed to that. To start with, a change of policy at the national level may well produce significantly different effects at the local level. Besides, the impact of an asymmetric macroeconomic shock is likely to have an impact on the geography of prosperity, employment, poverty, and inequality. Furthermore, the resulting spatial inequalities may occasionally erupt on the national scene. Lastly, the shift in focus of microsimulation analysis away from the national level has been rendered urgent by the devolution of tax-benefit policies from central government to local (i.e. regional or municipal) ones, as seen in Italy, Spain, and elsewhere.

In order to explore spatial variation in living conditions, and to monitor the effects of changes in tax-benefit policies at the local level, one would need much larger income surveys. These are currently unavailable. Conceivably, the sample size of EU-SILC (*EU Statistics on Income and Living Conditions*) might be greatly increased to ensure statistical significance at the NUTS-3 level, or even lower. Unfortunately, the cost of that is likely to be seen as prohibitive. What is more, in countries like Italy and Spain the sample size of SILC is already larger than in other countries, to enable analysis at the NUTS-2 level, so the chances of a further sample size increase are probably slim.

A promising alternative might be to run EUROMOD on registry data, such as tax returns, given the large number of observations, high degree of accuracy, and granularity at local level. After all, such datasets are already being used to great effect, for instance in order to estimate geographical patterns of intergenerational income mobility in the US (Chetty et al. 2014) and elsewhere. The disadvantages of relying on tax registries include limited coverage of vulnerable populations (e.g. individuals and families that are too poor to pay taxes), lack of socio-demographic information often used to decompose the results (e.g. individuals by education level or economic sector), and privacy concerns forcing government agencies to restrict access to data.

Spatial microsimulation is a third approach. Adding spatial detail to microsimulation requires microdata reflecting the characteristics of individuals and households in regions, sub-regional units (e.g. provinces or prefectures), cities, or neighbourhoods. Given the lack of geographically disaggregated microdata at the sub-national level, spatial microsimulation combines population census data at small area level, tax return data in aggregate form, and survey microdata at national – or, at best, regional – level, in order to create a synthetic population whose characteristics mirror as closely as possible those of the local areas under examination.

Geographers have been using spatial microsimulation for nearly thirty years, to study social polarisation in Britain (Dorling and Woodward 1996), labour market outcomes in Leeds (Ballas 2001), population dynamics in York (Ballas et al. 2007), commuter patterns in West Yorkshire

(Lovelace et al. 2014), health policy in Scotland (Campbell and Ballas 2016), and so on. Similar models were developed for Ireland (Ballas et al. 2005), Japan (Ballas et al. 2012), and other countries. For a survey, see Ballas et al. (2007) and Tanton et al. (2009).

Nevertheless, the intersection between spatial microsimulation pioneered by geographers and tax-benefit microsimulation developed by economists has not been fully exploited. Among the few exceptions are Ballas et al. (2005) exploring the effects of national social policies in York; Panori et al. (2017) analysing the effects of the Great Recession on poverty in Athens; Chin et al. (2005), Harding et al. (2009), Tanton et al. (2009), and Vu and Tanton (2010) applying the Australian tax-benefit model NATSEM to analyse effects at local level; and O'Donoghue et al. (2013) offering a local perspective in Ireland based on the SMILE model.

The paper presents a new such spatial microsimulation model (*EUROMOD-spatial*) for Greece and Italy, which enables us to evaluate the fiscal and distributional impact of public policies at NUTS-3 level. We use EU-SILC data to create representative samples at local (NUTS-3) level by modifying the sampling weights based on information derived from population census and income tax returns. We apply the model to assess the anti-poverty effects at local level of child benefit in Greece (*Επίδομα παιδιού*) and Italy (*Assegno Unico Universale*).

The structure of the paper is as follows. Following this brief introduction, section 2 discusses the two policy instruments whose anti-poverty effects at local level we will go on to assess. Section 3 describes the data and methodology. Section 4 presents the results. The concluding section 5 summarizes the key findings, draws the policy implications, and reflects on the usefuleness of spatial microsimulation for the assessment of the local effects of public policy.

2. The policies assessed

The introduction of non-categorical child benefits, in 2013 in Greece, and in 2022 in Italy, marked an important turn in social policy in the two countries, consolidating and upgrading income support for families with children.

Greece

Prior to 2013, income support for families with children in Greece was fragmented and regressive: quite generous for some, negligible or inexistent for most. Larger families were particularly favoured. Specifically, all families with a third child below the age of 6 received *3rd child benefit*, worth €177 per month, irrespective of income[1]. Furthermore, all families with three or more children, irrespective of age, received *large family benefit*, at €44 per month per eligible child[2], also irrespective of income[3]. On the other hand, family allowances were rather substantial for certain employees in protected sectors. By way of illustration, a married worker with two children received €189 per month if in banking, €70 per month if a civil servant, and only €25 per month if an ordinary employee in a private firm[4]. A plethora of minor benefits, and a *birth grant*[5], were also available. In addition, a (non-refundable) *child tax credit* also applied; in 2012, that allowance was worth €400 per year for taxpayers with two dependent children. In contrast, the overwhelming majority of children, principally those in smaller families (with one or two children), whose parents were unemployed,

[1] An income test had been introduced in 1997, but was abolished in 2002.
[2] Married children, or over the age of 23, or eligible for *3rd child benefit*, were ineligible for *large family benefit*, unless disabled.
[3] As in the case of *3rd child benefit*, an income test applied to *large family benefit* in 1997-2002.
[4] The monthly rate of familiy allowance for a married worker with one child was €162 in banking, €50 in the civil service, and €8 in the private sector.
[5] The birth grant, worth €2,000, was paid as a lump sum to mothers giving birth to a third or subsequent child.

or farmers, or self-employed, or ordinary employees, received little or no income support, even when poor.

In 2013, income support for families with children was streamlined and rationalised. The *3rd child benefit*, the *birth grant*, and the *child tax credit* were all abolished, while the *large family benefit* was made income-tested[6]. At the same time, a 'unified' (i.e. non-categorical) child benefit was introduced (*Ενιαίο επίδομα στήριξης τέκνων*), payable on an income-tested basis. The benefit level varied inversely with family income, while it rose with the number of children. Morover, the income threshold also varied with household size. For instance, a family with two children and an annual income below €10,000 was eligible for €80 per month. Also taking into account *large family benefit*, a family with four children (all aged 23 or below) and an annual income below €12,000 received €327 per month.

In 2018, *child benefit* was given a new name (*Επίδομα παιδιού*) and became more generous, while the income test was redesigned. In view of that, in 2025 families with two children received €140 per month, and families with four children €420 per month, provided their annual income was below €12,000 and €14,500 respectively.

Child benefit is currently structured in three benefit rates, inversely related to income. In 2025, the government announced that from next year the benefit will be paid in two rates (full and reduced), on a means-tested basis (i.e. asset tests will apply alongside to the income test).

The 2013 policy reform extended public assistance to hundreds of thousands of poor families that had been ineligible for income support under the previous system. Unlike most of the programmes it replaced, the new *child benefit* was available from the first child, for a broader age group (effectively, all dependent children, i.e. those aged up to 18, or up to 23 if in college, or irrespective of age if disabled). As a result, the number of *child benefit* recipients in 2014 reached 53% of all *families* with at least one dependent child, up from approximately 20% under the previously existing benefits in 2009, according to official figures (Matsaganis 2017). Recent estimates raise the coverage rate (as a share of dependent *children*) to 61%-72%[7].

Italy

In Italy, the new child benefit (*Assegno unico e universale per i figli a carico*) was introduced in 2022, replacing a pre-existing array of income transfers to families with children, which comprised tax credits, a family allowance of a contributory and categorical nature, reserved for wage and salary earners including retired ones (*Assegno per il nucleo familiare*), a separate means-tested benefit for large families (*Assegno al nucleo familiare con almeno tre figli minori*), as well as an array of minor bonuses paid as a lump sum (Figari & Fiorio 2024, Saraceno 2022, Rosina 2021).

The new benefit was designed in a rather innovative way, combining elements of universality and selectivity: all families with children are eligible, but the amount of benefit is inversely related to claimants' income and assets, as determined by a standard means test[8]. Specifically, the benefit consists of a flat-rate component (set in 2022 at €50 per child per month) and a means-tested one (up to €125 per child per month for the first two children, or up to €210 per child per month for the third and each subsequent child). For example, a family of four living in rented accommodation

[6] Still, the income threshold (€48,000 or €52,000 per annum for three or four children respectively) for *large family benefit* was rather inclusive, then (in crisis-ridden Greece) or now. The benefit rate was €500 per child per year.

[7] Specifically, EUROMOD estimates raise the the share of children in the relevant population group actually receiving child benefit to to 61% under a standard assumption of non take up (it would have been 73% under full take up) (Flevotomou et al. 2025). Alternatively, the (self-reported) number of child benefit recipients in EU-SILC suggests that the coverage rate was 67%. Finally, a recent study drawing on administrative data reports a number of child benefit recipients that implies a coverage rate of 72% (Liargovas et al. 2025).

[8] Incomes and assets are combined in a single value in the context of *ISEE* (*Indicatore della situazione economica equivalente*), the means-testing instrument used to determine access to social benefits and public services in Italy.

would in 2022 be entitled to the maximum rate of benefit (€350 per month) if their annual taxable income was below €44,000, or to the minimum rate of benefit (€100 per month) if their annual taxable income was above €105,500[9]. In 2025, benefit amounts and eligibility thresholds were set about 15% higher relative to 2022.

The introduction of *Assegno unico universale* boosted the number of recipients of income support, for the first time reaching low-income families previously unable to benefit from tax credits (if their income was too low to pay tax), nor entitled to *Assegno per il nucleo familiare* (if no household member was an employee, or had been one if currently retired).

The new child benefit by design favours larger families (as the amount of benefit rises more than proportionally with the number of children), and two-earner ones (as the formula results in a higher amount of benefit when both parents work).

At the same time, the universal nature of the new benefit implies that high-income families are also eligible, thereby reducing the degree of progressivity and increasing overall fiscal costs relative to a targeted scheme.

The 2022 reform ended the Italian exception of patchy coverage and occupational fragmentation, and brought the country's system of income support to families with children in line with the European mainstream (Figari et al. 2025). As a matter of fact, child benefits are universal in 20 out of 27 EU member states. Even the feature of means-tested benefit supplements for poorer families, though more unusual, is shared with countries like Denmark, France, Poland, and Portugal.

In terms of generosity, *Assegno unico universale* compares favourably with child benefit schemes elsewhere in Europe: Italy is placed 9th out of 27 EU member states in absolute terms (in € p.a.), and 7th out of 27 in relative terms (as % of median disposable income) (Bornukova et al. 2024).

Eurostat statistics suggest that relative poverty in Italy has fallen since 2022, while the difference in poverty rates before vs. after social benefits (a measure of their impact) has grown, exceeding the EU average.

3. Data and methodology

We use a new such spatial microsimulation model (*EUROMOD-spatial*) for Greece and Italy, which we have developed in order to evaluate the fiscal and distributional impact of policy reforms and other changes at local level. We use EU-SILC data to create representative samples at local (NUTS-3) level by modifying the sampling weights based on information derived from population census and income tax returns.

Specifically, we use data from the national versions of EU-SILC (EL-SILC and IT-SILC, released by the national statistical agencies ElStat and Istat respectively). We use the 2020 wave of EL-SILC (incomes earned in 2019) and the 2019 wave of IT-SILC (incomes earned in 2018). The two datasets contain 32,832 and 43,317 observations respectively, representative at NUTS-2 level (20 *regioni* and 13 *περιφέρειες*). We start from each NUTS-2 sub-sample to create a synthetic population for NUTS-3 level units (107 *province* and 74 περιφερειακές ενότητες[10] in total). We calibrate the actual observations of EL-SILC and IT-SILC for a certain NUTS-2 region (e.g. Attica or Lombardy) to

[9] In both cases we assumed an annual rent of at least €7,000 (to maximise the deduction), savings of no more than €10,000, and zero housing wealth – admittedly, an unrealistic assumption in a country of owner occupiers. Ownership of a home valued at €200,000 would lower the annual taxable income threshold for eligibility to maximum amount of benefit (€350 per month) from about €44,000 to about €21,500, while a home worth €450,000 would lower the annual taxable income threshold above which families were eligible to no more than the minimum amount of benefit (€100 per month) from about €105,500 to about €47,500.

[10] Not all administrative units (*περιφερειακές ενότητες*) in Greece perfectly match the NUTS classification: 39 of them do, but the remaining 13 NUTS-3 regions are composed of two or more administrative units.

create a synthetic microdataset representative for each of the NUTS-3 units which belong to that NUTS-2 region (i.e. Northern Athens, Western Athens, Central Athens, Southern Athens, Eastern Attica, Western Attica, Piraeus, and Islands; and Bergamo, Brescia, Como, Cremona, Lecco, Lodi, Mantova, Milano, Monza e Brianza, Pavia, Sondrio, and Varese respectively). For each such unit, we create a dataset with the same number of (pseudo-)observations as in the sample for that NUTS-2 region. We make the synthetic sample of (pseudo-)observations representative at the NUTS-3 level by calibrating the sample weights using external controls from the Census of Population and Housing provided by ElStat and Istat, and from income tax returns provided by the Independent Authority for Public Revenue (*ΑΑΔΕ*) in Greece, and the Ministry of Economy and Finance in Italy. We derive 50+ constraint variables, most of them at individual level (age, sex, marital status, educational attainment, employment status), a small number at household level (household size, housing tenure).

The paper evaluates the anti-poverty effects of child benefit in Greece and Italy at local level. We assess such effects by constructing a poverty indicator that combines the poverty rate (i.e. the share of population living in households with equivalent disposable income below the poverty threshold) and the poverty gap (i.e. the income shortfall of the population in poverty relative to the poverty threshold). Specifically, we multiply the number of all children in poverty by their average income shortfall relative to the poverty threshold. We call this indicator *total child poverty gap*, and calculate it by reference to two poverty benchmarks: a relative and an extreme poverty threshold set at 60% and 40% of median household equivalent disposable income respectively. We assess the effects of the policy reform in each country by comparing the actual income distribution (observed under the reform) with the counterfactual income distribution (i.e. the one that would have prevailed had the old regime of income support to families with children been allowed to continue)[11]. We take the difference in the value of the total child poverty gap under the new and the old policy regimes, in all NUTS-3 units in the two countries.

4. **Results**

What was the impact on child poverty of the consolidation of child benefits in Greece and Italy, following the introduction of *Επίδομα παιδιού* and *Assegno Unico Universale* respectively, in place of the previous system of categorical family allowances, tax relief for dependent children, and minor benefits and bonuses, at local level? Figures 1-4 show the change in total child poverty gap in the two countries, with respect to two poverty thresholds set at 60% and 40% of median income.

Our results reveal considerable heterogeneity at local level. In Greece, the current child benefit seemed clearly to outperform the pre-2013 regime of income support to families with children in terms of poverty reduction. The only exceptions to that rule were a handful of thinly-populated areas (in Thrace, Eastern Macedonia, certain North Aegean islands, and the Dodecanese), and only when the poverty threshold was set at 40% of median income. In Italy, too, the new child benefit scored better in most provinces, except for some in Emilia-Romagna and Veneto, only when the poverty threshold was set at 60% of median income.

Did the new regime of income support to families with children perform better in terms of poverty reduction in local areas where the total child poverty gap was higher to start with? Figures 5-8 show the change in total child poverty gap in the two countries as a function of the total child poverty gap under the old regime, by reference to poverty thresholds of 60% and 40% of median income.

Our results suggest that, in Greece, the opposite was the case: the lower the total child poverty gap under the old regime, the greater the reduction in the total child poverty gap when the old regime

[11] In the case of Greece, to account for the fact that the reform of child benefits there took place a longer time ago, we uprate the policy parameters of the old regime (benefit rates and income thresholds) using the change in the value of the harmonised index of consumer prices (HICP), as provided by Eurostat: +7.52% in 2012-2022.

was replaced by the new one. The size of poverty reduction declined more steeply as the total child poverty gap under the old regime rose when the poverty threshold was set at 60% of median income, and less steeply when that threshold was set at 40% of median income.

On the contrary, in Italy, the total child poverty gap fell more when it was higher to start with, which is arguably a superior policy outcome. That result held exclusively when the poverty threshold was set at 60% of median income: the line showing the relationship between level of total child poverty gap under the old regime and reduction of total child poverty gap when the new regime was introduced was flat when the poverty threshold was set at 40% of median income.

5. Conclusions

Our work showcases a new spatial microsimulation model in Greece and Italy, developed as an extension of EUROMOD, the European tax-benefit model, enabling the analysis of the fiscal and distributional impacy of public policies at local level. We use EU-SILC data to create a synthetic dataset that is representative at local level by modifying the sampling weights based on information derived from population census and income tax returns. We apply the model to assess the anti-poverty effects of the consolidation of child benefits in Greece (*Επίδομα παιδιού*) and Italy (*Assegno Unico Universale*) at NUTS-3 level.

Our work has built on previous contributions by economic geographers and others, and our model has been externally and internally validated. Still, this is work in progress, continually corrected and improved as we go along. In view of that, our results ought to be seen as tentative.

Our finding that the total child poverty gap increased, albeit only in a few local areas, and only with respect one of the two poverty thresholds applied, not both, merits further discussion.

In Italy, the reform produced winners but also losers. The winners were chiefly self-employed workers, who had been ineligible for *Assegno per il nucleo familiar*e, especially those on low taxable income, who could therefore not benefit from the (non-refundable) tax credit for dependent children. The losers were mostly employees and pensioners on higher income and wealth[12]. Another category of losers was employees and pensioners whose children lived abroad, formerly eligible for *Assegno per il nucleo familiare* but currently ineligible for *Assegno Unico Universale* (Cgil 2024). To ease the transition, a government decree provided for the compensation of losers in the first three years of the new scheme[13]. For the purposes of this paper, we have taken no account of the transitory compensation, which explains why the total child poverty gap appears to have grown in a few provinces.

In Greece, the means-tested child benefit introduced in 2013 (at the depths of the austerity and the recession), explicitly aimed to reduce public spending while improving anti-poverty performance. As a result, alongside winners, there were several losers, too. The former were low-income families of employees in private firms, self-employed workers, and farmers. The latter were higher-income families who lost eligibility for tax allowances without gaining eligibility for the new child benefit, and some larger families with adult children who in addition to the above also lost access to some or all the quite generous benefits they used to claim. The limited adverse effects on child poverty found in this paper imply that the 2013 child benefit, as amended in 2018, was rather well designed, making sure that losers were located higher up the income distribution.

[12] An early study (Maitino et al. 2021) estimated that the total share of losers was 23%, rising to 43% in the top quintile (i.e. the richest 20%) of the distribution of income and assets as measured by *ISEE*.

[13] Specifically, losers were fully compensated from 1 March (when the refom took effect) to 31 December 2022; in 2023, the amount of compensation fell to two thirds of their loss; from 1 January 2024 to 28 February 2025, to one third; from 1 March 2025, the compensation was phased out.

In any case, we need to clarify the extent to which our finding is driven by real instances of benefit recipients being made worse off, or by errors introduced at the reweighting and/or imperfections in simulating the policies (old and new).

Another caveat concerns non take up. The EUROMOD country report for Greece (Flevotomou et al. 2025) cites estimates by the Council of Economic Advisors of the Ministry of Finance putting the non-take-up rate of child benefit in 2015 at 18%, while a recent study (Di Tommaso 2023) came up with an estimate of 12% of children in Italy not being in receipt of the new child benefit (which seems surprisingly high for a universal benefit)[14]. Instead, we have for simplicity simulated the new child benefits in the two countries, and the policy instruments they replaced, under the assumption of full compliance.

On the whole, we believe that our results illustrate the potential of spatial microsimulation for the analysis of public policies at local level, compared with the alternatives of increasing the sample size of EU-SILC (highly unlikely), and reying on registry data (vulnerable to incomplete coverage, missing socio-demographic variables, privacy concerns, and limited access).

As our instrument is refined, its usefulness in assessing the local impact of policy reforms, and possibly assisting in their optimal design, is likely to grow.

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[14] Interestingly, the study found that take up of *Assegno Unico Universale* fell with family income (as expected), and also with the age of children in the family, while it was higher in the South than in the North.

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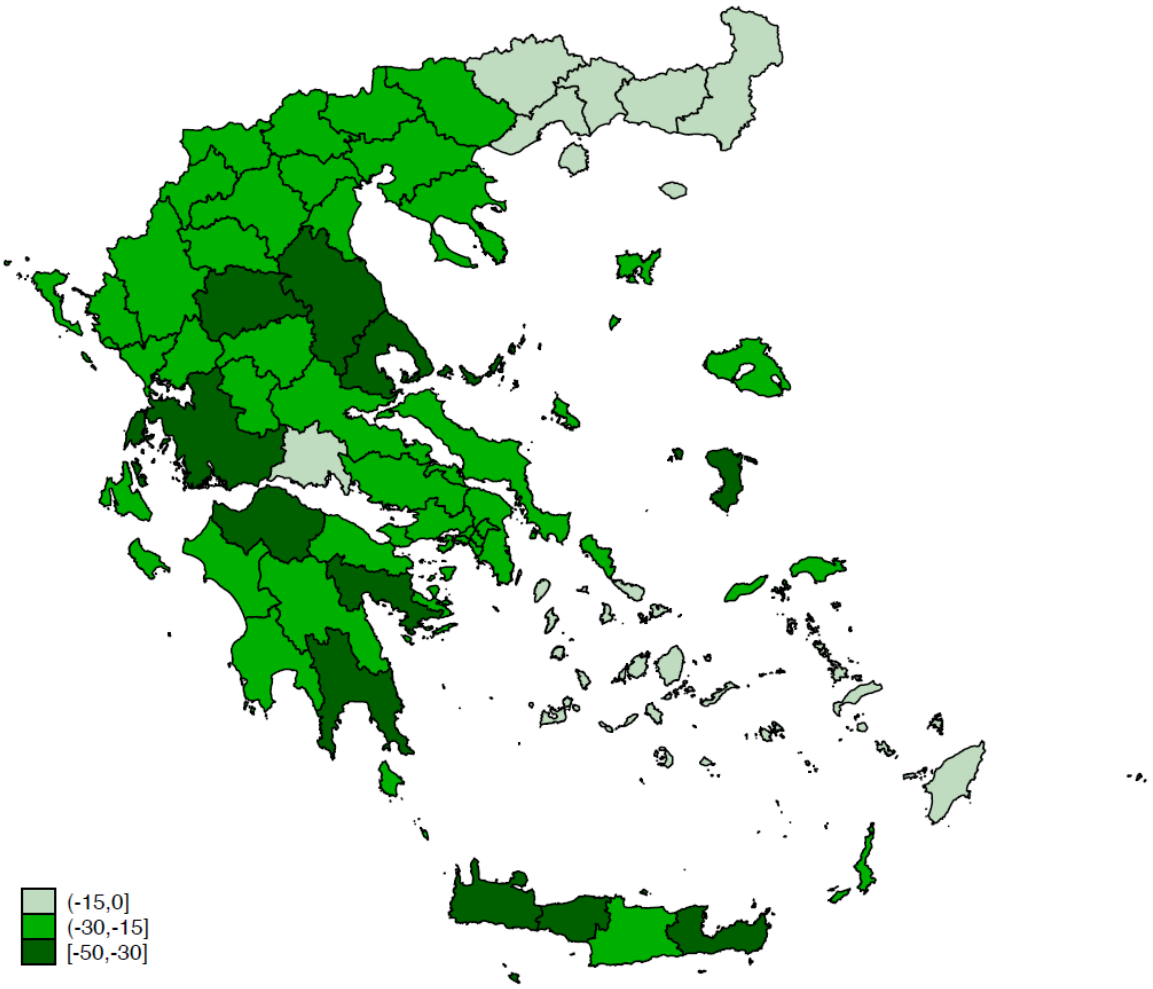
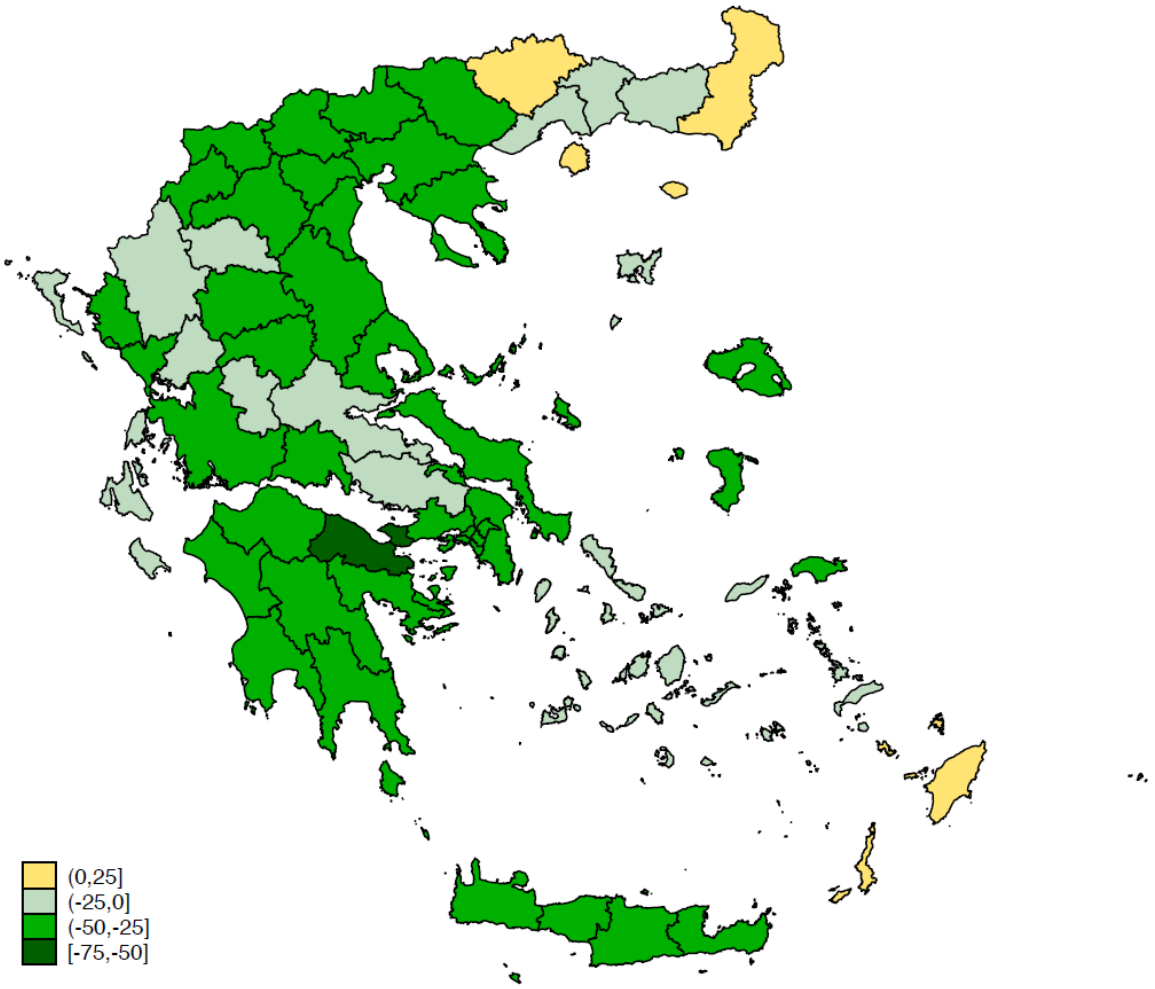
Figures

Figure 1: Change in total child poverty gap in Greece (poverty threshold: 60% of median)



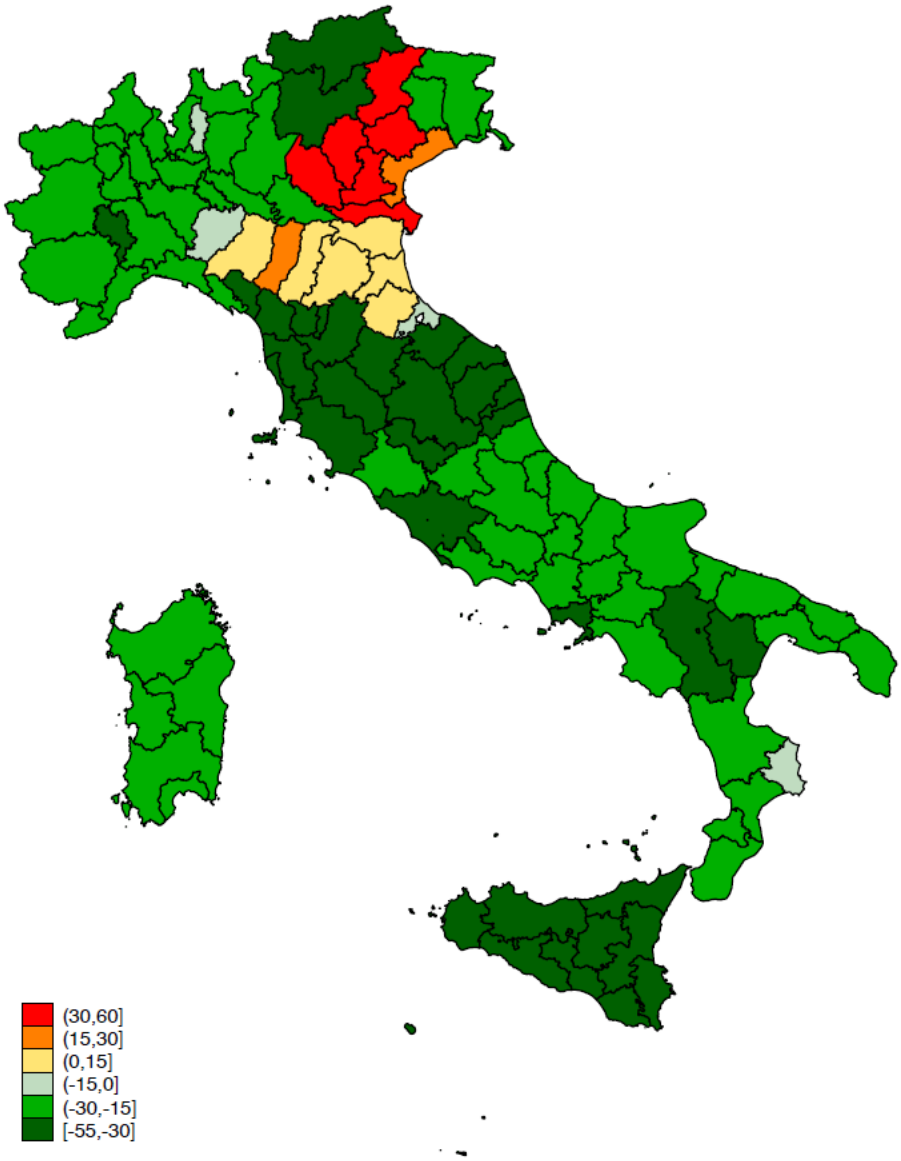
Notes: The values in the legend are shown as percentage differences between the old and the new regime of income support to families with children: negative (positive) values imply that the total child poverty gap was higher (lower) under the old regime. The poverty threshold is fixed at 60% of median household equivalent disposable income in the counterfactual income distribution (i.e. the one that would have prevailed had the old regime been allowed to continue).

Figure 2: Change in total child poverty gap in Greece (poverty threshold: 40% of median)



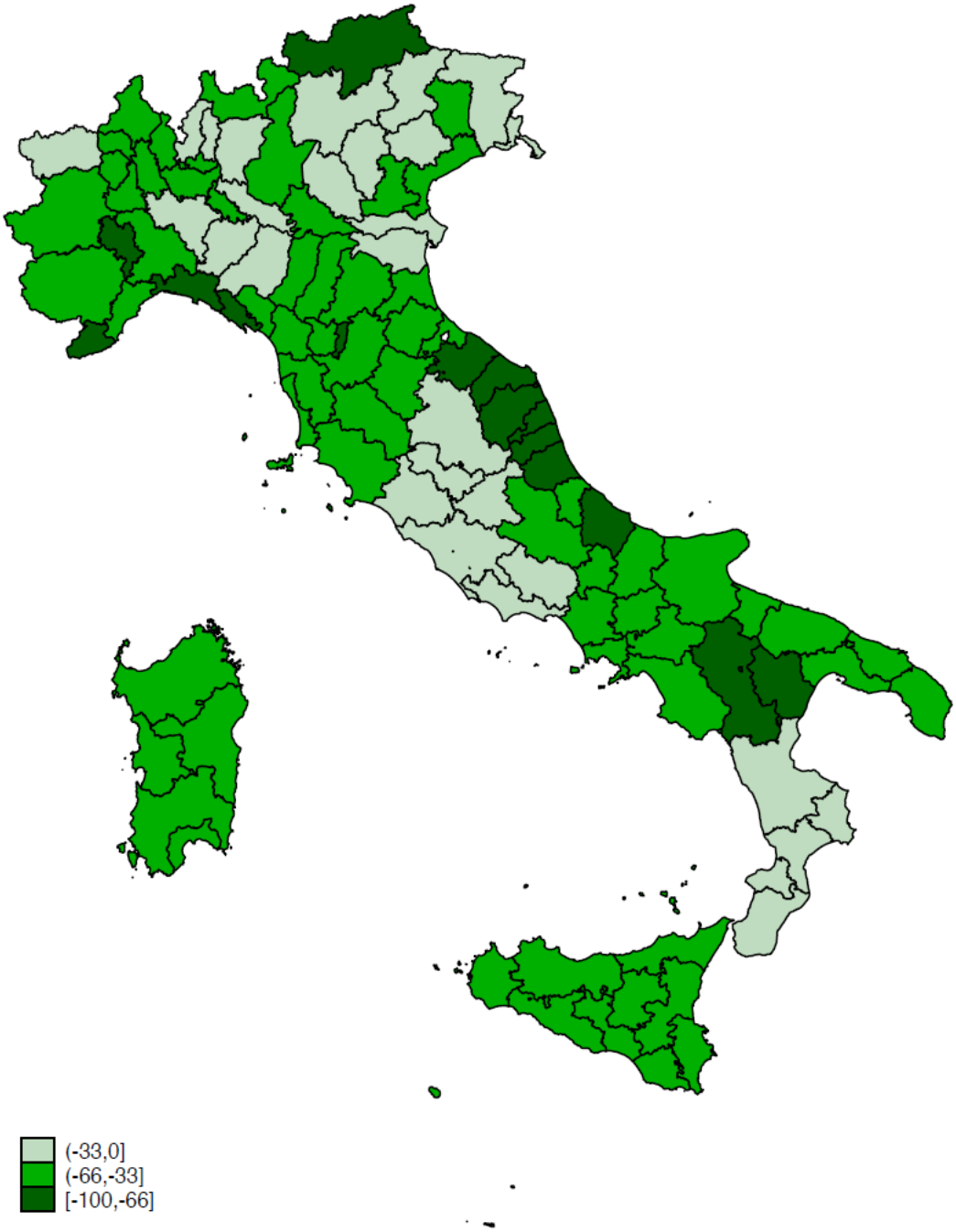
Notes: The values in the legend are shown as percentage differences between the old and the new regime of income support to families with children: negative (positive) values imply that the total child poverty gap was higher (lower) under the old regime. The poverty threshold is fixed at 40% of median household equivalent disposable income in the counterfactual income distribution (i.e. the one that would have prevailed had the old regime been allowed to continue).

Figure 3: Change in total child poverty gap in Italy (poverty threshold: 60% of median)



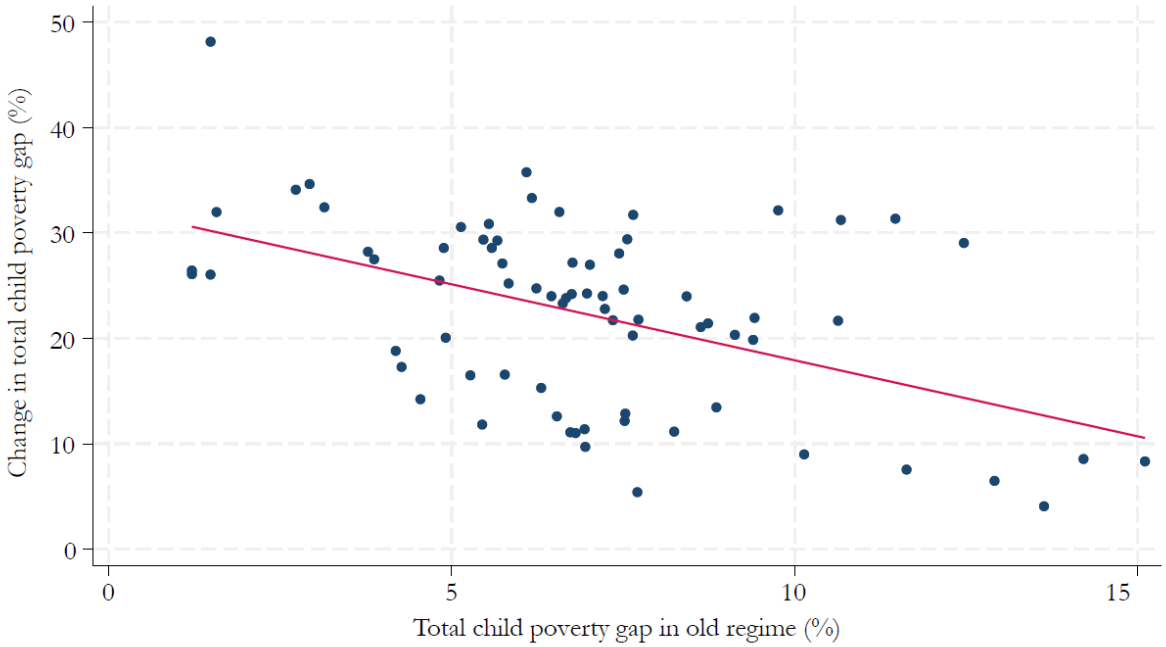
Notes: The values in the legend are shown as percentage differences between the old and the new regime of income support to families with children: negative (positive) values imply that the total child poverty gap was higher (lower) under the old regime. The poverty threshold is fixed at 60% of median household equivalent disposable income in the counterfactual income distribution (i.e. the one that would have prevailed had the old regime been allowed to continue).

Figure 4: Change in total child poverty gap in Italy (poverty threshold: 40% of median)



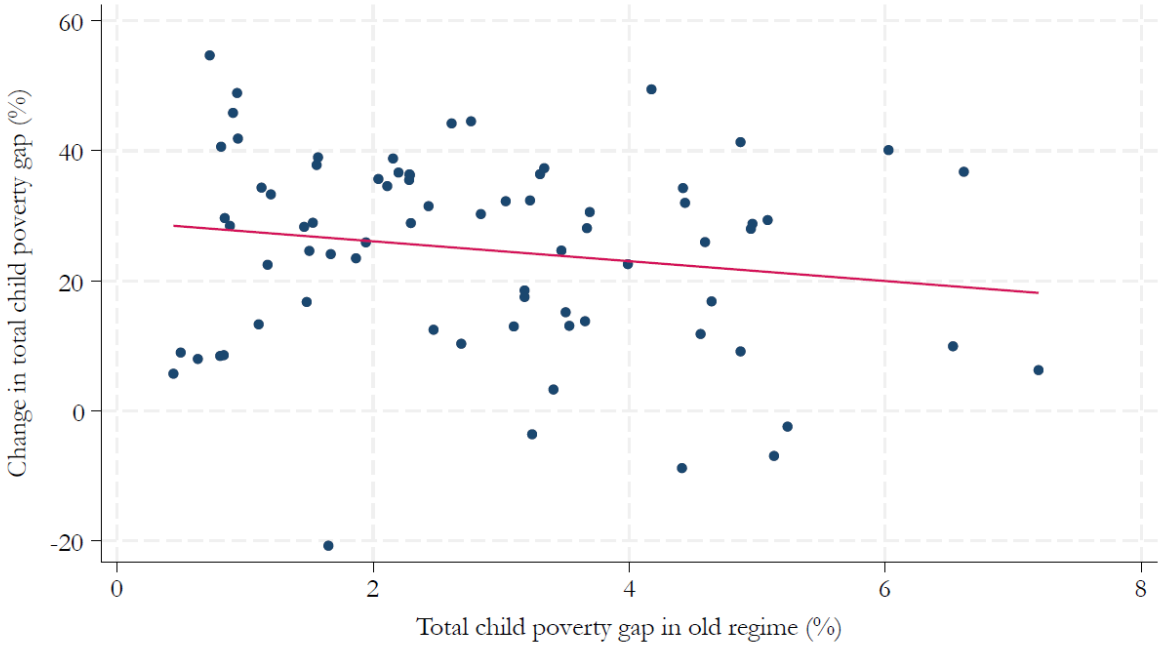
Notes: The values in the legend are shown as percentage differences between the old and the new regime of income support to families with children: negative (positive) values imply that the total child poverty gap was higher (lower) under the old regime. The poverty threshold is fixed at 40% of median household equivalent disposable income in the counterfactual income distribution (i.e. the one that would have prevailed had the old regime been allowed to continue).

Figure 5: Change in total child poverty gap in Greece as a function of the total child poverty gap under the old regime (poverty threshold: 60% of median)



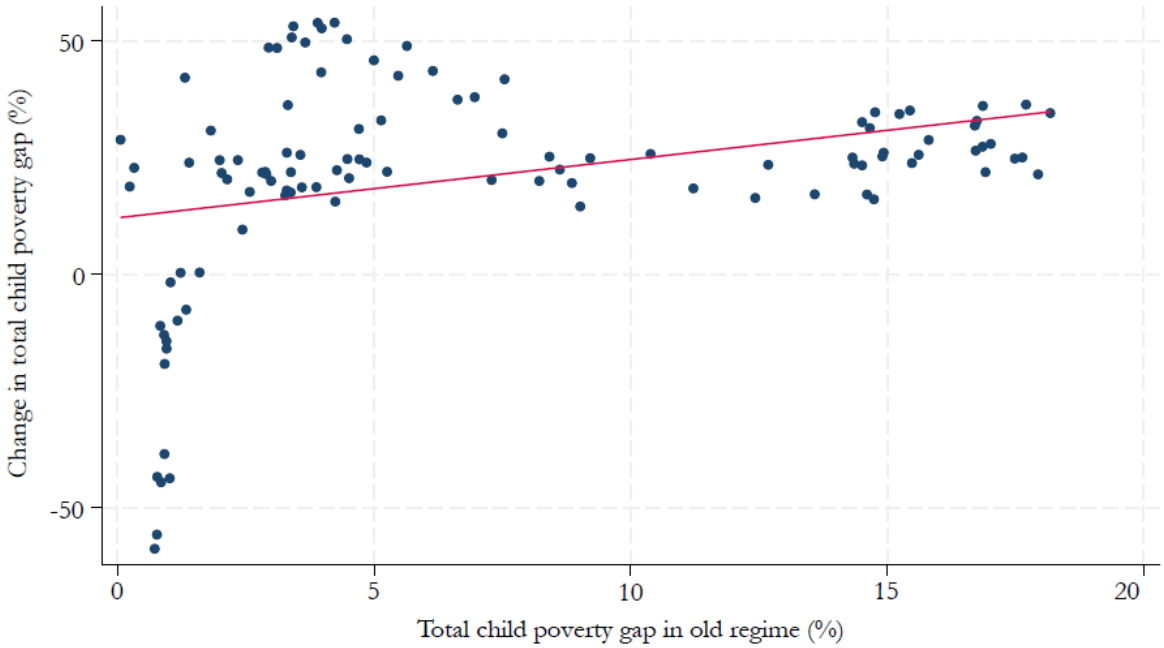
Notes: The values on the vertical axis are calculated as percentage differences between the old and the new regime of income support to families with children: positive (negative) values imply that the total child poverty gap was higher (lower) under the old regime. The poverty threshold is fixed at 60% of median household equivalent disposable income in the counterfactual income distribution (i.e. the one that would have prevailed had the old regime been allowed to continue).

Figure 6: Change in total child poverty gap in Greece as a function of the total child poverty gap under the old regime (poverty threshold: 40% of median)



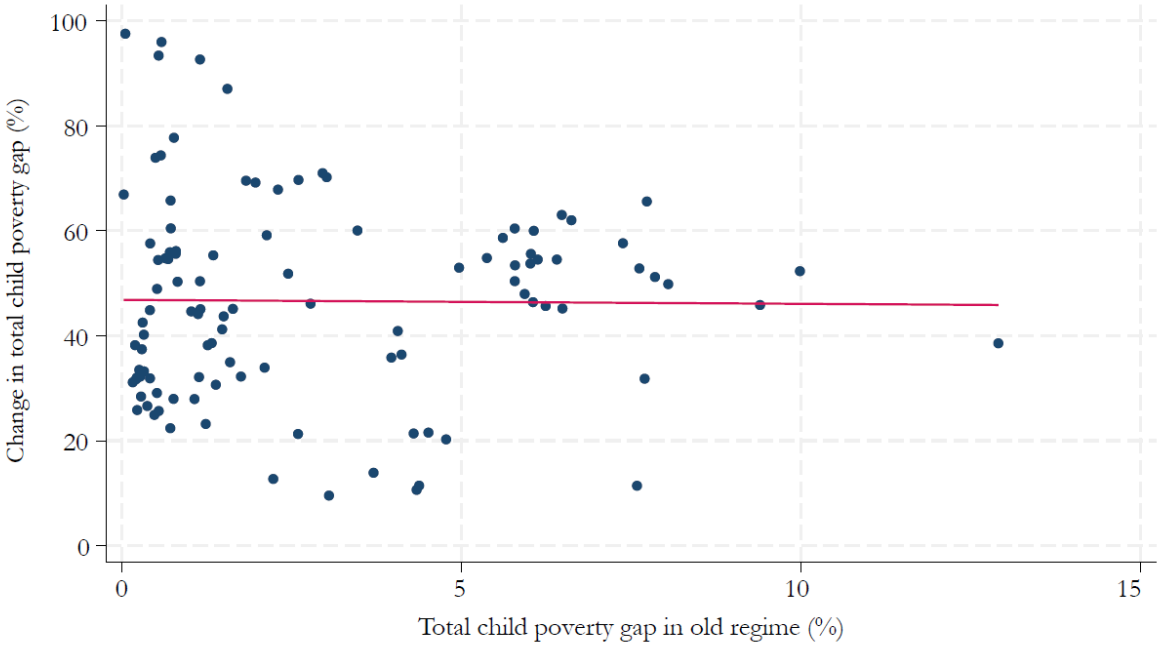
Notes: The values on the vertical axis are calculated as percentage differences between the old and the new regime of income support to families with children: positive (negative) values imply that the total child poverty gap was higher (lower) under the old regime. The poverty threshold is fixed at 40% of median household equivalent disposable income in the counterfactual income distribution (i.e. the one that would have prevailed had the old regime been allowed to continue).

Figure 7: Change in total child poverty gap in Italy as a function of the total child poverty gap under the old regime (poverty threshold: 60% of median)



Notes: The values on the vertical axis are calculated as percentage differences between the old and the new regime of income support to families with children: positive (negative) values imply that the total child poverty gap was higher (lower) under the old regime. The poverty threshold is fixed at 60% of median household equivalent disposable income in the counterfactual income distribution (i.e. the one that would have prevailed had the old regime been allowed to continue).

Figure 8: Change in total child poverty gap in Italy as a function of the total child poverty gap under the old regime (poverty threshold: 40% of median)



Notes: The values on the vertical axis are calculated as percentage differences between the old and the new regime of income support to families with children: positive (negative) values imply that the total child poverty gap was higher (lower) under the old regime. The poverty threshold is fixed at 40% of median household equivalent disposable income in the counterfactual income distribution (i.e. the one that would have prevailed had the old regime been allowed to continue).