

National Transfer Accounts by SES in Brazil

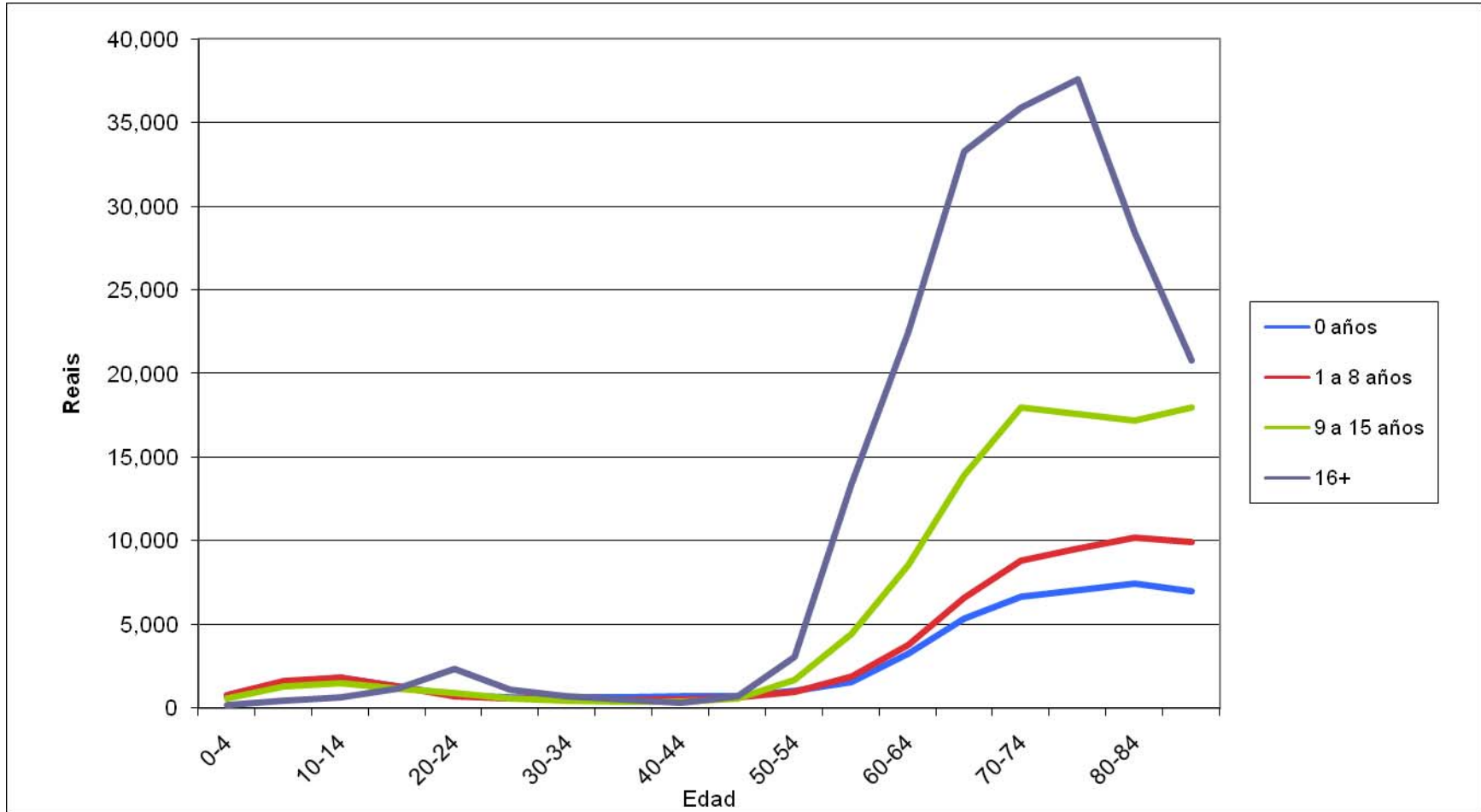
What have we done so far?

- Turra & Queiroz (1996): public and private transfers by age and level of education of the household head
 - Public transfers include both taxes and expenditures
 - Estimates are becoming old: data from 1996
 - Private transfer accounts were not created under the new methodology of NTA
 - Estimates were not adjusted according to macro controls (NIPA)
- Turra, Holz & Cotlear (2010): public transfers by age and income quintile (per capita household income)
 - Estimates are for 2003
 - Comparative analyses between Brazil and Chile
 - Estimates are restricted to public expenditures: health, education, social security and cash transfer programs

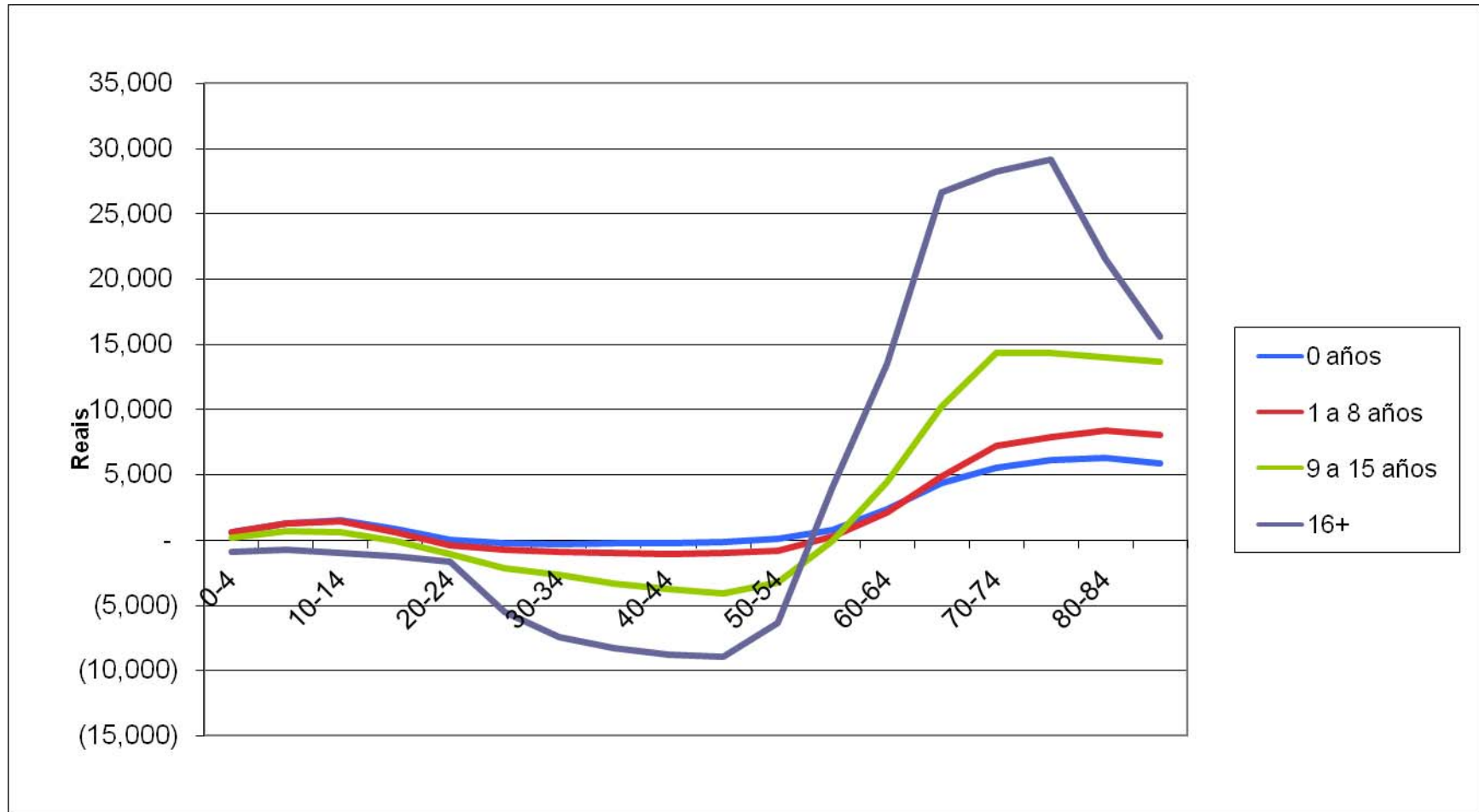
What have we done so far?

- Miller, Turra, Saad, Holz and others (2010): public transfers by age and level of education of the household head
 - Estimates are for 2003
 - Estimates include both taxes and expenditures
 - We compare both absolute and relative measures of progressiveness
 - Comparative analyses between Brazil and Chile
 - We do not include private transfers

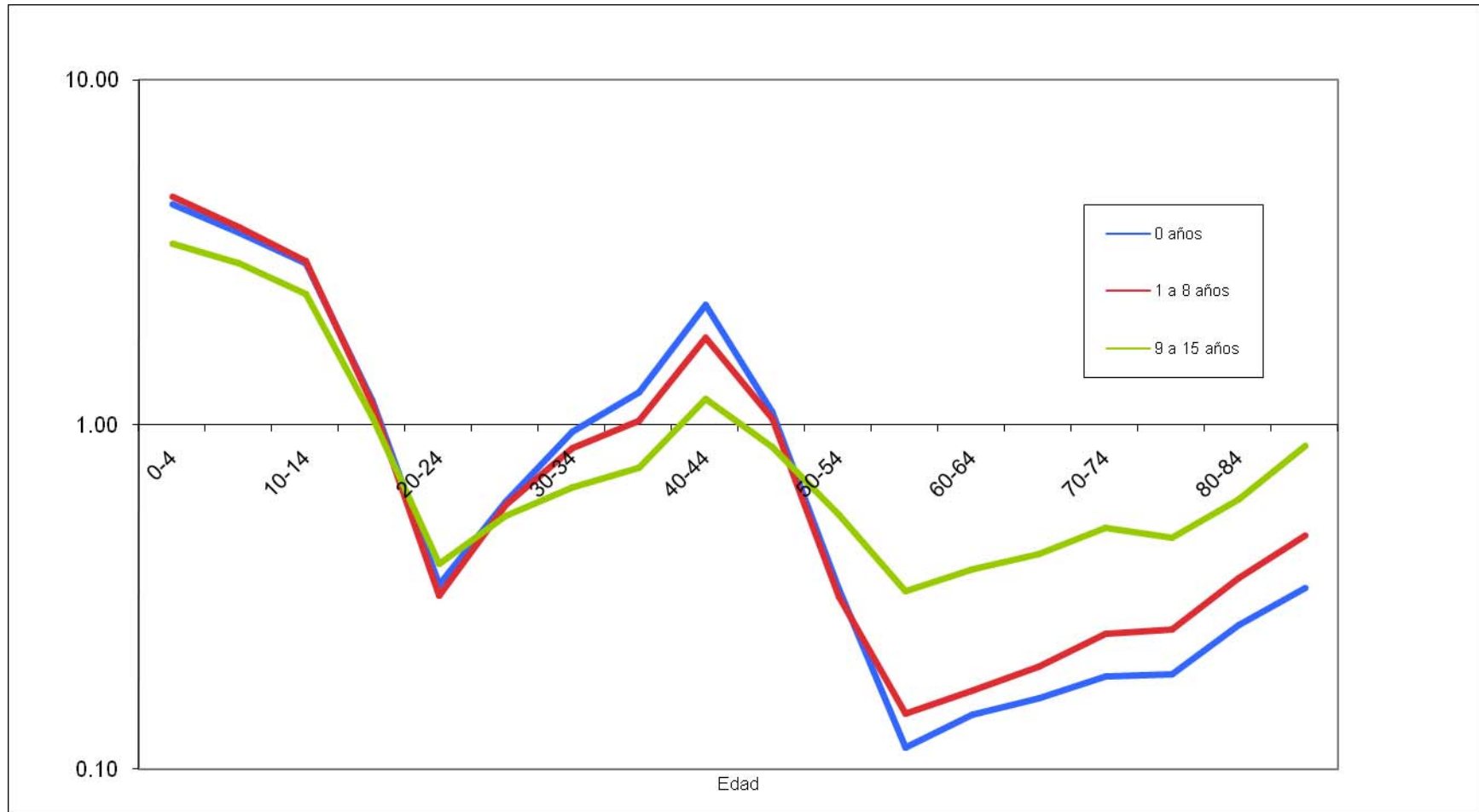
Public Expenditures by age and SES



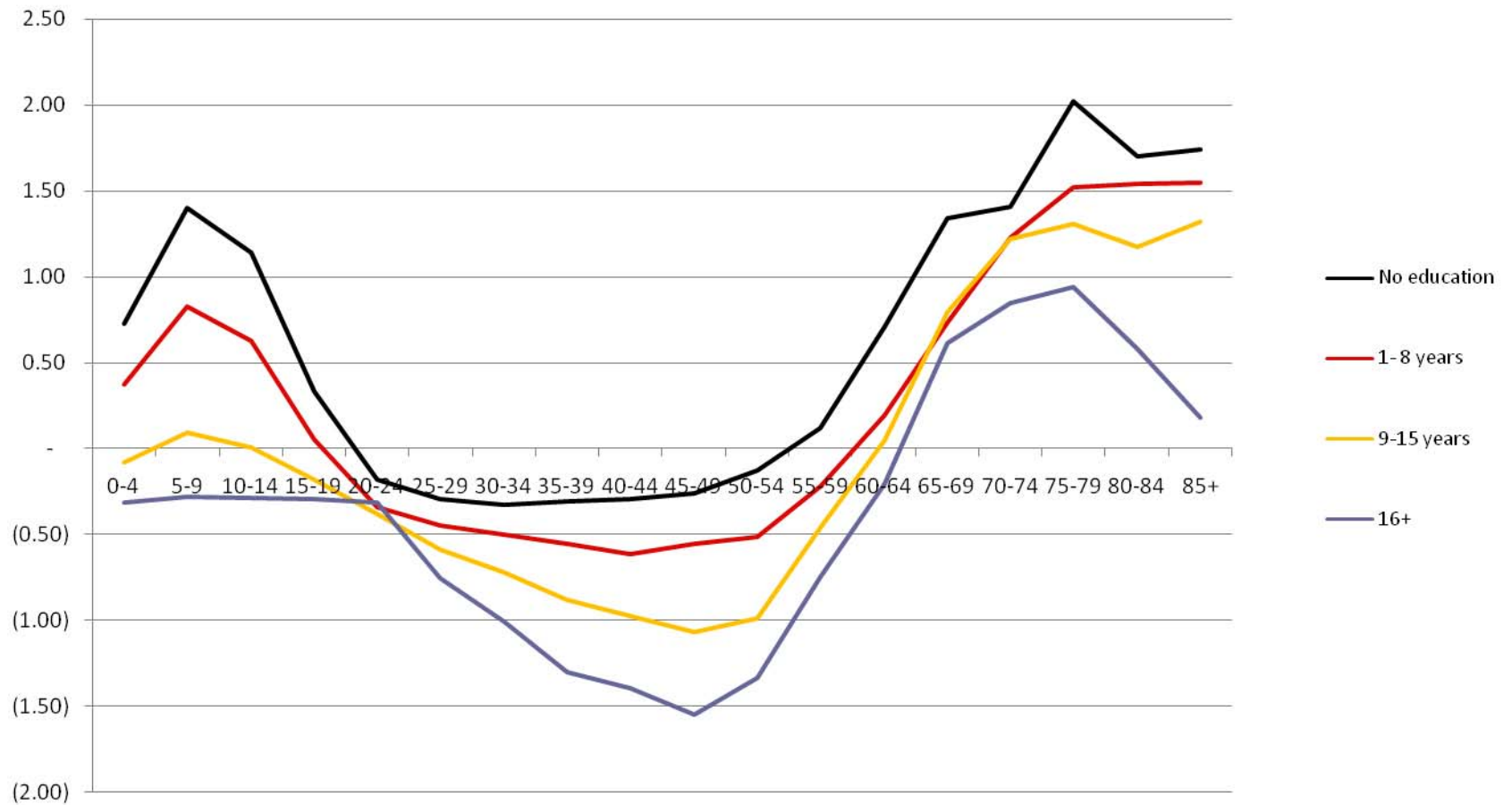
Net Public Transfers by Age and SES



Relative public expenditures by Age and SES



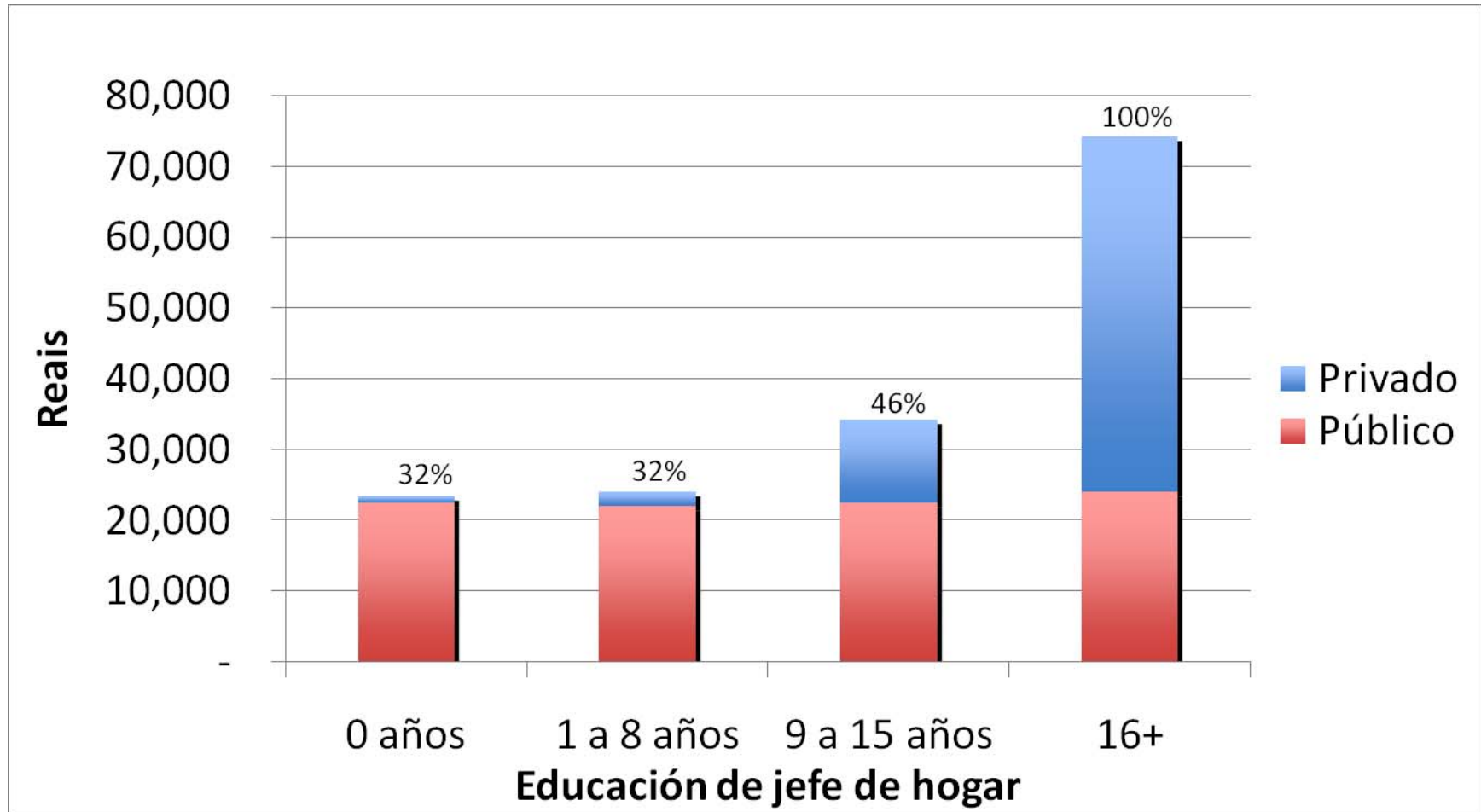
Net Public Transfers, relative to consumption, by age and SES



Methodological Challenges

- Incidence vs life cycle measures
- Incidence: should we use consumption or income in the denominator of relative measures?
 - Consumption: does not allow a good measure of progressiveness for sales taxes
 - Income: how to treat income at older ages?
- Incidence: we still need a synthetic measure of inequality to make comparisons across countries (Gine?)
- Life cycle: social mobility rates?

Public and Private Transfers in Education by SES



Speculating for Future Analysis

- Problem: Relatively larger differences by SES for total transfers (public + private) in education than in health among children in Brazil
- Hypothesis: different roles played by families and the public sector in providing education and health in Brazil. The public sector may be more efficient in compensating lower private transfers in health among low SES children than in the case of education
- Compare Brazil with USA and Thailand