

**Creation of Private and Public
(Social Security and Other Government Income)
Categories for CNEF Data¹**

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¹ For an example of the use of these data, see: Burkhauser, Richard V., Philip Giles, Dean R. Lillard, Johannes Schwarze.. (2004). "After Death Do Us Part: An Analysis of the Economic Well being of Widows in Four Countries." Cornell University Department of Policy Analysis and Management Working Paper.

Table 1 provides a summary table of the variables used to create the private and public (Social Security and Other Government Income) categories in the CNEF data. A detailed description of each government transfer program reported here is provided in the Appendix.

Table 2 provides information on the distribution of household size-adjusted income replacement rates by quintile in the year before and after the husband's death for widows in the CNEF data as discussed in Burkhauser, Giles, Lillard and Schwartz (2004).

Tables 3-6 provide information on the mean household income of widows in the United States, Germany, Great Britain and Canada respectively before and after the husband's death for widows in the CNEF data as discussed in Burkhauser et al (2004).

Table 7 provides information on the sample sizes for women in the years before and after widowhood in the CNEF data as discussed in Burkhauser et al (2004).

Table 1. Components of Income Categories

Income Category	United States	Germany	Great Britain	Canada
Private sources				
Labor income	Includes -wages and salaries -75% of positive farm income -75% of business income -reported earnings of self-employed	Includes -wages and salaries -reported earnings of self-employed	Includes -wages and salaries -reported earnings of self-employed	Includes -wages and salaries -net income of farm owners-operators -net income of owner-operators of unincorporated businesses
Husband		Labor earnings of the husband in the years before is death		
Survivor		Labor earnings of the widow		
Others ¹		Labor earnings of all other household members		
Private transfers	Income of the husband and wife from: -child support -help from relatives -other transfer income	Income from persons not in the household in the previous year	Income of all household members from: -education grants -sickness insurance -maintenance payments -foster allowance -payments from trade unions/friendly societies -non resident family members	Income of all household members from: -alimony and child support (including court-ordered) -other taxable transfer income
Retirement plans	Income of all household members from: -Veterans' pensions -other retirement income -employer pensions -annuity income	Income of all household members from: -Supplementary pensions for public sector employees (not civil servants) -Company pensions -all other pension income	Income of all household members from: -pensions from previous employer -pensions from spouse's ex-employer -private pension or annuity -widow or war widows pension -widowed mothers allowance	Income of all household members from: -employer pensions -annuities from Registered Retirement Savings Plans (RRSP) -withdrawals from Registered Retirement Income Funds (RRIF)

Table 1. Continued

Income Category	United States	Germany	Great Britain	Canada
Income from assets	The sum of income of the husband and wife's: -asset portion of farm income -asset portion of income from unincorporated business -asset portion of income from farming or market gardening -asset portion of income from roomers -rent, and income of all household members from: -dividends, interest, trust funds, and royalties	Household income from: -Dividends -Interest -Rent (minus operating and maintenance costs)	Income of all household members from: -Interest, dividends, annuities -Rent from boarders or lodgers -Rent from any other property	Income of all household members from: -Interest -net dividends -other investment income
Public sources				
Social Security	Income of all household members from: -Old-Age Insurance -Disability Insurance -Survivors Insurance	Income of all household members from the mandatory retirement insurance program (Gesetzliche Rentenversicherung) and related programs: -Old-Age pensions -Invalidity pensions -Miner pension -Farmer pension -War victim pension -Survivors pensions (widows and orphans) -Civil servant pensions -Worker accident pensions	Income of all household members from: -National Insurance retirement pension	Income of all household members from: -Old-Age Security -Guaranteed Income Supplement -Survivors Allowance -Spouse's Allowance -Canada/Quebec Pension Plan

Table 1. Continued

Income Category	United States	Germany	Great Britain	Canada
Other Cash Transfers	Income of all household members from: -Unemployment Insurance -Worker's Compensation -Aid to Families with Dependent Children (AFDC)/Temporary Assistance to Needy Families (TANF) -Supplemental Security Income (SSI) -Bonus value of Food Stamps -Other welfare income	Income of all household members from: -Unemployment Insurance -Unemployment relief -Student assistance -Maternity allowance -Subsistence allowance -Early retirement subsidy -Housing subsidy -Child allowance -Support for the care of sick family members -Nursing home allowance	Income of all household members from: -Severe disablement allowance -Industrial Injury allowance -Attendance allowance -Mobility allowance -Invalid care allowance -War disability pension -Disability living allowance -Disability working allowance -Incapacity benefit -Disability living allowance -Income support (IS) -Unemployment benefit (UB) -National Insurance sickness benefit (not employer's sick pay) -Child benefit -One parent benefit -Family credit -Maternity allowance -Housing benefit (rent rebate or rent allowance) -Council tax benefit (community charge benefit) -Other state benefit -Job Seekers Allowance -Educational grant -Foster allowance -Invalidity pension	Income of all household members from: -Canada Child Tax Benefit -Social Assistance -Employment Insurance -Worker's Compensation -Goods and Services Tax Credit -Provincial Tax Credits

Table 1. Continued

Income Category	United States	Germany	Great Britain	Canada
Taxes	Estimated total household taxes, including: -Social Security contributions (payroll taxes) -State taxes -Federal taxes	Estimated total household taxes, including: -Annual social security contributions -The sum of annual individual taxes for all household members -Annual solidarity surplus tax	Estimated total household taxes, including: -Income tax (local taxes not estimated) -National insurance contributions -pension contributions	Actual total household taxes, including: -Federal taxes -Provincial taxes
Net-of-Tax Household Income	Sum of all income components - taxes			

Sources: Disaggregated by the authors based on data from the Cross-National Equivalent File Codebook 1980-1998, Panel Study of Income Dynamics Users Manuals 1980-1997, German Socio-Economic Panel SOEPINFO 1984-1998, British Household Panel Survey User Manual Volumes A-H, Codebook prepared for Canadian Survey of Labour and Income Dynamics portion of Cross-National Equivalent File Codebook, 1998.

Table 2. Distribution of Household Size-Adjusted Income Replacement Rates, by Quintile in the Year Before the Husband's Death

Quintile by Country	Replacement Rate						Mean Replacement Rate	Standard Deviation	N
	1.5 or More	1.25-1.49	1.00-1.24	.75-.99	.50-.74	0-.49			
Lowest									
United States	39.0	13.2	23.7	15.7	6.3	2.1	1.48	1.0	185
Germany	22.1	17.7	22.1	23.5	8.8	5.9	1.30	0.9	68
Great Britain	10.3	35.9	18.0	25.6	7.7	2.6	1.45	0.9	39
Canada	24.2	20.0	17.2	26.0	4.0	8.5	1.54	0.9	124
2									
United States	16.6	7.5	12.8	37.9	13.7	11.6	1.10	0.8	131
Germany	5.2	13.0	28.6	37.7	7.8	7.8	1.03	0.4	77
Great Britain	10.9	13.0	15.2	28.3	30.4	2.2	.98	0.3	46
Canada	12.8	7.4	24.9	33.7	17.7	3.6	.97	1.6	93
3									
United States	12.7	4.5	21.8	20.3	29.5	11.3	.92	0.4	116
Germany	1.3	5.2	28.6	41.6	15.6	7.8	.89	0.3	77
Great Britain	5.1	0.0	12.8	53.8	18.0	10.3	.87	0.4	39
Canada	4.6	3.3	19.1	46.8	23.5	2.6	.94	0.4	73
4									
United States	6.4	6.5	19.3	30.7	17.7	19.5	.82	0.3	121
Germany	1.5	4.4	23.5	36.8	30.9	2.9	.88	0.2	68
Great Britain	0.0	4.4	13.3	44.4	33.3	4.4	.83	0.2	45
Canada	4.5	7.5	25.4	38.0	20.6	4.0	.95	0.3	97
Highest									
United States	2.7	2.2	10.1	32.6	33.7	18.7	.75	0.3	103
Germany	4.2	4.2	14.1	36.6	25.4	15.5	.82	0.3	71
Great Britain	2.1	6.4	12.8	27.7	31.9	19.2	.77	0.3	47
Canada	0.0	1.8	18.2	38.9	22.0	19.0	.78	0.3	86

Source: Authors' calculations from the Panel Study of Income Dynamics 1970-1997, German Socio-Economic Panel 1984-2000, British Household Panel Study 1991-2000, and Canadian Survey of Labour and Income Dynamics 1993-2000.

Table 3. Mean Household Income of Widows in the United States Before and After Her Husband's Death, by Source (1996 US Dollars)

Income Source	Aged 25 through 49					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	47166	46817	44842	13672	16644	21172
Survivor's Labor Income	6524	6744	8200	10545	12826	12402
Deceased's Labor Income	38438	38041	33826	0	0	0
Others' Labor Income	2205	2032	2817	3127	3818	8770
Private Transfers	708	168	266	26	157	518
Private Pensions	203	198	226	734	631	1072
Assets	4676	1063	1282	6477	4787	6347
Public Sources						
Transfers	1818	1100	1580	1519	1099	529
Social Security	2373	2151	2280	10940	11260	11546
Taxes	12655	11046	10027	3564	4127	5992
Post-Government	44289	40451	40450	29804	30450	35193
Income Source	Aged 50 through 61					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	50332	49193	39230	19066	18812	21010
Survivor's Labor Income	12510	11916	12453	12967	12272	12399
Deceased's Labor Income	31559	30526	19147	0	0	0
Others' Labor Income	6263	6751	7631	6099	6540	8611
Private Transfers	406	548	931	421	309	1554
Private Pensions	3584	3281	3842	3531	3639	4323
Assets	4804	2851	3668	6273	8527	6127
Public Sources						
Transfers	513	908	806	325	567	533
Social Security	2087	2322	2924	2646	3195	3701
Taxes	12885	12313	8621	5018	6748	6182
Post-Government	48841	46830	42779	27244	28301	31065

Table 3. Continued

Income Source	Aged 62 through 69					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	34254	24726	19920	8260	7717	5538
Survivor's Labor Income	10125	7552	7319	5917	4797	4441
Deceased's Labor Income	20972	15170	11469	0	0	0
Others' Labor Income	3157	2003	1132	2342	2921	1097
Private Transfers	293	343	582	376	240	185
Private Pensions	4468	5495	7684	3832	4197	3977
Assets	3980	3600	3594	4435	4590	4041
Public Sources						
Transfers	665	618	574	366	299	288
Social Security	5610	7741	9421	6963	6751	6936
Taxes	10038	7095	5966	2758	2774	2038
Post-Government	39281	35435	35809	21473	21020	18927
Aged 70 and over						
Income Source	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	6929	5628	4473	2234	3400	1954
Survivor's Labor Income	1690	1757	1411	1036	628	644
Deceased's Labor Income	3237	2089	1636	0	0	0
Others' Labor Income	2002	1782	1426	1197	2772	1310
Private Transfers	391	649	753	532	527	500
Private Pensions	5373	5213	4402	2713	2326	2076
Assets	12357	11636	8627	6581	8519	6681
Public Sources						
Transfers	260	226	271	190	334	185
Social Security	12149	12340	12544	8651	8547	8443
Taxes	4921	4033	2243	1420	2257	1297
Post-Government	32538	31699	28828	19482	21396	18540

Source: Authors' calculations from the Panel Study of Income Dynamics 1970-1997

Notes:

1. This is an unbalanced panel. Sample size varies across years. Sample sizes can be found in Table 7.
2. Table 1 contains a detailed list of the income types included in each category.

Table 4. Mean Household Income of Widows in Germany and its Sources Before and After Her Husband's Death, by Source (1996 German Marks)

Income Source	Aged 25 through 49					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	87579	66263	65673	34512	35485	41693
Survivor's Labor Income	23920	14674	15992	28357	26318	36338
Deceased's Labor Income	60070	46365	44805	0	0	0
Others' Labor Income	3590	5223	4877	6155	9166	5355
Private Transfers	0	96	0	214	155	513
Private Pensions	0	0	0	4493	720	4969
Assets	747	384	381	994	1057	3132
Public Sources						
Transfers	3773	6226	6726	3798	3642	2490
Social Security	0	373	1287	8345	14614	7062
Taxes	26021	20013	20099	11337	10875	14750
Post-Government	66078	53330	53968	41018	44796	45109

Income Source	Aged 50 through 61					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	68867	75290	61290	25360	19484	18204
Survivor's Labor Income	17587	16801	16787	11770	12581	11325
Deceased's Labor Income	42474	46908	29103	0	0	0
Others' Labor Income	8806	11581	15399	13591	6902	6879
Private Transfers	0	0	0	1164	1106	97
Private Pensions	1307	925	1332	4494	1658	4722
Assets	670	1453	1772	919	1185	1185
Public Sources						
Transfers	2027	1783	2171	2972	781	1044
Social Security	6709	8784	9793	13435	19454	16231
Taxes	21459	26140	19607	8223	7330	7271
Post-Government	58122	62095	56750	40122	36337	34212

Table 4. Continued

Income Source	Aged 62 through 69					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	26822	19614	15904	13767	13840	12777
Survivor's Labor Income	5006	4253	3013	6305	6463	5304
Deceased's Labor Income	14296	8057	6011	0	0	0
Others' Labor Income	7520	7304	6880	7462	7376	7473
Private Transfers	244	5	108	0	0	0
Private Pensions	1015	2055	2044	1808	669	742
Assets	7256	7654	4812	6493	9708	13701
Public Sources						
Transfers	980	1209	1107	1071	258	257
Social Security	22832	26404	29975	19590	20970	21371
Taxes	9512	7795	7457	9410	11447	12334
Post-Government	49635	49145	46492	33319	33997	36514

Income Source	Aged 70 and over					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	6592	5754	6374	5939	5190	2583
Survivor's Labor Income	1103	855	746	2152	1325	951
Deceased's Labor Income	1681	1498	1726	0	0	0
Others' Labor Income	3808	3401	3875	3787	3865	1632
Private Transfers	30	225	66	5	6	34
Private Pensions	2545	1892	2074	1105	1130	1466
Assets	4107	3906	2795	5987	2922	2042
Public Sources						
Transfers	352	506	221	310	308	176
Social Security	32071	31289	32637	22071	22027	21990
Taxes	4248	3837	4252	5878	3985	2806
Post-Government	41449	39735	39889	29538	27597	25484

Source: Author's calculations from the German Socio-Economic Panel 1984-2000.

Notes:

1. This is an unbalanced panel. Sample size varies across years. Sample sizes can be found in Table 7.
2. Table 1 contains a detailed list of the income types include in each category.

Table 5. Mean Household Income of Widows in Great Britain Before and After Her Husband's Death, by Source (1996 British Pounds)

Income Source	Aged 25 through 49					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	20450	22570	18193	14366	8566	6838
Survivor's Labor Income	5862	7303	6144	6982	5717	4473
Deceased's Labor Income	9456	11243	9488	0	0	0
Others' Labor Income	5132	4024	2561	7384	2849	2366
Private Transfers	133	0	13	234	186	519
Private Pensions	194	64	0	855	489	738
Assets	556	453	1030	1222	1798	539
Public Sources						
Transfers	2417	1792	2583	2686	2722	3233
Social Security	455	533	632	1850	1672	1634
Taxes	5250	5688	4255	3643	1710	1384
Post-Government	18955	19724	18196	17570	13723	12116

Income Source	Aged 50 through 61					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	18487	17726	15323	9019	11443	9732
Survivor's Labor Income	7081	6193	5116	5100	4473	2903
Deceased's Labor Income	8805	8290	6779	0	0	0
Others' Labor Income	2601	3244	3428	3919	6970	6829
Private Transfers	76	95	57	319	172	342
Private Pensions	627	1211	1394	1768	1993	2267
Assets	751	1038	1123	1755	1916	915
Public Sources						
Transfers	2449	3368	4097	3939	3750	3951
Social Security	727	628	982	2875	2903	2479
Taxes	4395	4131	3527	1960	2485	2149
Post-Government	18722	19936	19448	17716	19692	17537

Table 5. Continued

Aged 62 through 69

Income Source	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	7738	6470	8601	3711	4657	8716
Survivor's Labor Income	2754	2165	2387	2489	2326	2268
Deceased's Labor Income	2764	2256	3894	1222	2331	6448
Others' Labor Income	2220	2049	2320	0	0	0
Private Transfers	180	36	29	16	101	48
Private Pensions	3693	3028	3719	1427	1920	1995
Assets	2293	1753	1525	632	1266	1438
Public Sources						
Transfers	4991	4312	4849	4120	4034	3739
Social Security	2541	2832	3106	3620	3388	3649
Taxes	1658	1380	1806	838	1093	2191
Post-Government	19778	17050	20023	12689	14274	17394

Aged 70 and over

Income Source	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	2444	3172	2997	2099	1738	2000
Survivor's Labor Income	1143	991	888	708	527	201
Deceased's Labor Income	855	1891	1457	1391	1210	1799
Others' Labor Income	446	290	652	0	0	0
Private Transfers	57	72	41	44	31	99
Private Pensions	3323	3657	3010	1642	1525	1644
Assets	2311	2302	1845	706	949	824
Public Sources						
Transfers	5946	6217	6173	3910	4044	4096
Social Security	5130	5266	5383	3288	3289	3352
Taxes	496	723	665	534	450	528
Post-Government	18716	19962	18786	11156	11125	11488

Source: Authors' calculations from the British Household Panel Study 1991-2000.

Notes:

1. This is an unbalanced panel. Sample size varies across years. Sample sizes can be found in Table 7.
2. Table 1 contains a detailed list of the income types included in each category.

Table 6. Mean Household Income of Widows in Canada Before and After Her Husband's Death, by Source (1996 Canadian Dollars)

Income Source	Aged 25 through 49					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	47687	50075	50852	26060	35994	34815
Survivor's Labor Income	18728	21884	23519	18432	24791	20403
Deceased's Labor Income	26340	24391	24885	0	0	0
Other's Labor Income	2620	3801	2448	7628	11203	14412
Private Transfers	1766	1806	4214	8769	1588	594
Private Pensions	0	533	135	1202	1188	2132
Assets	949	1594	975	1887	1383	785
Public Sources						
Transfers	3399	4469	4699	4740	3139	3157
Social security	186	1258	1426	3953	4102	3169
Taxes	10264	12084	11677	10207	8589	7550
Post -Government	43724	47652	50623	36403	38805	37102

Income Source	Aged 50 through 61					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	27303	30152	37913	19167	18483	18302
Survivor's Labor Income	7908	10237	15685	6997	6399	8234
Deceased's Labor Income	15495	13558	15551	0	0	0
Other's Labor Income	3900	6357	6677	12170	12084	10069
Private Transfers	5867	7489	2071	1931	1092	1142
Private Pensions	3850	4597	6534	3363	4580	4783
Assets	1277	1190	1791	2623	3200	1693
Public Sources						
Transfers	3493	3096	4794	3623	3471	2670
Social security	3878	3645	4783	5660	5882	5558
Taxes	7242	9393	10380	5796	5915	5837
Post -Government	38426	40777	47506	30570	30793	28311

Table 6. Continued

Income Source	Aged 62 through 69					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	15930	11613	6805	7486	7992	9432
Survivor's Labor Income	7166	5598	3026	2340	1585	1964
Deceased's Labor Income	7074	3719	2476	0	0	0
Other's Labor Income	1690	2296	1303	5146	6407	7467
Private Transfers	1095	1325	1365	1160	412	378
Private Pensions	10363	12813	10212	6780	5199	5490
Assets	1786	4762	3821	2553	3306	3199
Public Sources						
Transfers	7878	7756	7390	6155	6595	6458
Social security	7068	7290	7452	5698	5395	5242
Taxes	6973	6519	4762	3921	3549	4341
Post -Government	37146	39040	32283	25912	25351	25857

Income Source	Aged 70 and over					
	t-3	t-2	t-1	t+1	t+2	t+3
Private Sources						
Total Household Labor Income	1416	1290	1135	4237	4221	5564
Survivor's Labor Income	408	358	238	903	669	612
Deceased's Labor Income	521	144	171	0	0	0
Other's Labor Income	487	788	726	3335	3552	4952
Private Transfers	317	414	365	267	348	344
Private Pensions	10131	9283	8885	5481	4019	3260
Assets	5029	5203	4954	4133	4306	2403
Public Sources						
Transfers	10845	10883	11224	7911	7820	7851
Social security	7846	7672	7576	4784	4416	4027
Taxes	3675	3509	3460	3885	3059	3026
Post -Government	31909	31236	30679	22929	22071	20423

Source: Authors' calculations from the Survey of Labour and Income Dynamics 1993-1999.

Notes:

1. This is an unbalanced panel. Sample size varies across years. Sample sizes can be found in Table 7.
2. Table 1 contains a detailed list of the income types included in each category.

Table 7. Sample sizes for Widows' Mean in Years Before and After Widowhood

Country/Age	Year Relative to Year of Husband's Death						Minimum	Maximum
	t-3	t-2	t-1	t+1	t+2	t+3		
United States								
Age 25-49	76	80	80	80	71	70	70	80
Age 50-61	133	143	144	144	139	134	133	144
Age 62-69	141	147	148	148	138	127	127	148
Age 70+	270	278	279	279	249	220	220	279
Germany								
Age 25-49	30	41	48	46	39	34	30	48
Age 50-61	73	81	84	74	67	59	59	84
Age 62-69	101	108	112	95	77	66	66	112
Age 70+	171	195	206	176	154	141	141	206
Great Britain								
Age 25-49	17	22	24	19	19	14	14	24
Age 50-61	33	35	44	34	30	24	24	44
Age 62-69	23	32	36	29	24	17	17	36
Age 70+	120	140	155	134	111	89	89	155
Canada								
Age 25-49	31	46	69	64	44	31	31	69
Age 50-61	32	48	87	97	70	54	32	97
Age 62-69	52	73	108	131	93	72	52	131
Age 70+	251	343	481	405	268	184	184	481

Source: Authors' calculations from Panel Study of Income Dynamics 1970-1997, German Socio-Economic Panel 1984-2000, British Household Panel Study 1991-2000, and Canadian Survey of Labour and Income Dynamics 1993-2000.

Appendix – Detailed Description of Government Transfer Programs

GOVERNMENT TRANSFER PROGRAMS IN CANADA

This document describes government transfer programs in Canada, with government transfers being defined to include traditional programs in which those meeting specific conditions receive money as well as programs related to private retirement income plans. Not included are programs providing non-refundable tax credits. (Non-refundable tax credits reduce the amount of income tax you owe. However, if the total of these credits is more than the amount you owe, you will not get a refund for the difference.) The intention is to include federal and provincial programs, although the multitude of provincial programs provides a major challenge to complete coverage.

- Canada Child Tax Benefit

- X Program description

The Canada Child Tax Benefit (CCTB) is a tax-free monthly payment made to eligible families to help them with the cost of raising children under age 18. Included with the CCTB is the National Child Benefit Supplement (NCBS), a monthly benefit for low-income families with children. The NCBS is the Government of Canada's contribution to the National Child Benefit (NCB), a joint initiative of federal, provincial, and territorial governments. As part of the NCB, certain provinces and territories also provide complementary benefits and services for children in low-income families, such as child benefits, earned income supplements, child care, supplementary health benefits, and early prevention programs for children at risk.

- X Universal entitlement: Yes

- X Means tested: Yes

- X Requires *quid pro quo*: No

- Old Age Security

- X Program description

Old Age Security provides a monthly pension to most people over 65 who have lived in Canada for at least ten years. The Old Age Security Program also provides other benefits for low-income seniors, such as the Allowance, the Allowance for the survivor and the Guaranteed Income Supplement. The basic Old Age Security pension is taxable income.

- X Universal entitlement: Yes

- X Means tested: Yes

- X Requires *quid pro quo*: No

- Guaranteed Income Supplement / Spouse=s Allowance / Survivor=s Allowance

- X Program description

The Guaranteed Income Supplement provides additional money, on top of the Old Age Security pension, to low-income seniors (i.e., aged 65 or more) living in Canada. To be eligible for the Supplement, you must be receiving the Old Age Security pension and meet certain income requirements (based on the combined income of the person and spouse).

The Spouse=s Allowance provides money for low-income persons (aged 60 to 64) whose spouse receives or is entitled to receive the Old Age Security pension and the Guaranteed Income Supplement.

The Survivor=s Allowance provides money for low-income persons (aged 60 to 64) whose spouse has died.

- X Universal entitlement: No

- X Means tested: Yes

- X Requires *quid pro quo*: No

- Social Assistance

- X Program description

Social assistance covers many provincial and municipal income supplements to individuals and families. It is usually provided only after all other possible sources of support have been exhausted.

- X Universal entitlement: No

- X Means tested: Yes

- X Requires *quid pro quo*: No

- Employment Insurance

- X Program description

Regular benefits are paid to people who have lost their job and want to return to work. To receive these benefits you must be actively looking for another job and be willing and able to work at all times.

You can receive regular benefits if you lose your job through no fault of your own and you can't find work, provided you have paid into the EI account; you have been without work and without pay for at least seven consecutive days; you have worked for the required number of hours based on where you live and the unemployment rate in your area.

Special benefits are paid to people who are unable to work due to illness, injury, quarantine, pregnancy or to care for a newborn or adopted child, provided you have paid into the EI account; and you have worked for the required number of hours. Fishing benefits are paid to people who have lost their job and earned money in the fishing industry (including self-employed fishers).

To receive these benefits you must be actively looking for another job and be willing and able to work at all times.

- X Universal entitlement: No

- X Means tested: No

- X Requires *quid pro quo*: Yes

- Worker=s Compensation

- X Program description

The most common benefit is the replacement of earnings lost after a workplace illness or injury, but other benefits are available. To be eligible for benefits, a person must:

- Have a worker-employer relationship with an employer covered by the WSIB (Workplace Safety Insurance Board)

- Have an injury or illness directly related to his/her work.

- X Universal entitlement: No

- X Means tested: No

- X Requires *quid pro quo*: Yes

- Canada / Quebec Pension Plan

- X Program description

The Canada Pension Plan operates in every province and territory except Quebec which has a similar program, the Quebec Pension Plan. The Canada Pension Plan can provide Canadians with a retirement pension as early as age 60. This Plan also offers disability, survivors and death benefits. The amount of the pension or benefit depends on how much and for how long a person contributes to the Canada Pension Plan. With very few exceptions, every person in Canada over the age of 18 who earns a salary must pay into it.

The Canada Pension Plan retirement pension is a monthly payment to people who have contributed to the Canada Pension Plan or both Canada Pension Plan and Quebec Pension Plan and live outside the province of Quebec and who are at least 60 years of age. The pension is designed to replace about 25% of the earnings paid into the Plan.

This retirement pension would **normally** be payable the month after a person=s 65th birthday. The amount of the pension is smaller if it is taken before that point, and larger if taken after. This "flexible" retirement pension can be adjusted to age 60 at the earliest or age 70 at the latest. To be eligible prior to age 65, a person must be considered to have reduced or stopped working. The Canada Pension Plan Disability pays a monthly benefit to people under age 65 who have contributed to the Plan and who are disabled according to Canada Pension Plan legislation. It also pays monthly benefits for their dependent children.

Canada Pension Plan survivor benefits are paid to a deceased contributor's estate, surviving spouse or common-law partner and dependent children.

- X Universal entitlement: No

- X Means tested: No

- X Requires *quid pro quo*: Yes

- Goods and Services Tax Credit

- X Program description

The GST/HST credit (goods and services tax/harmonized sales tax) is a tax-free payment to help individuals and families offset the cost of the GST/HST (goods and services tax; harmonized sales tax). All persons aged 18 and over are eligible for benefits, depending on the income of the person and spouse (if any).

- X Universal entitlement: Yes
- X Means tested: Yes
- X Requires *quid pro quo*: No

- Provincial Tax Credits

- X Program description

This is not actually a program but a category for various income amounts. Included are refundable tax credits other than those for children (which are included with child tax benefits) and the GST/HST Credit. Some are designed to help low-income individuals and families to pay property taxes, education taxes, rent and living expenses, and so on. Some non-taxable government transfers are not included here due to the reporting procedures for income tax purposes (or lack thereof). These include some training program payments, Veteran=s pensions, pensions to the disabled (which are not part of CPP/QPP payments), payments from provincial automobile insurance plans, and benefits for fishing industry employees (outside of that provided in EI payments).

- X Universal entitlement: Yes
- X Means tested: Yes
- X Requires *quid pro quo*: No

- Registered Retirement Savings Plans (RRSP)

- X Program description

This is a private retirement savings plan that a person establishes and contributes to, and that is registered with the federal government. Limits are established for the maximum amount that one can contribute each year, based on earnings and amounts contributed to any employer pension plans. Provisions exist for some carry-forward of contribution amounts from another year. Any income earned in the RRSP is generally exempt from tax until payments are received from the plan. A person may also elect to use available RRSP contribution limits to contribute to his or her spouse's RRSP. When a RRSP matures, one must either reinvest in another RRSP-eligible investment, cash in the RRSP (and pay income tax in that year on the money received) or use the money in the plan to buy:

- an annuity for life;
- an annuity spread over a number of years; or
- a registered retirement income fund (RRIF).

One cannot hold an RRSP past the end of the year in which he/she turns age 69.

- X Universal entitlement: Yes
- X Means tested: No
- X Requires *quid pro quo*: Yes

- Registered Retirement Income Funds (RRIF)

- X Program description

Registered with the federal government, this private type of fund is a complement to the RRSP. Normally, a person accumulates savings tax-free in an RRSP, then buys a RRIF from which payments are made. RRIF payments are taxable income. Money is transferred to a RRIF from a RRSP, RPP (registered pension plan from an employer), or from another RRIF, and regular payments are made to the person holding the RRIF. A minimum amount must be paid annually from a RRIF after the year in which it is set up.

- X Universal entitlement: Yes

- X Means tested: No

- X Requires *quid pro quo*: Yes

GOVERNMENT TRANSFER PROGRAMS IN GERMANY

This document describes income sources in the GSOEP. The primary purpose of the document is to provide a thumbnail sketch of government transfer programs in Germany. Government transfers are defined to include traditional programs in which recipients must satisfy specific conditions to receive money and programs that transfer money to a specific group with no other condition attached. We also describe sources of private pension income and other transfer income from private sources. We generally divide public transfer income into two categories: income that flows from public insurance-based benefits and income that flows from public welfare-based benefits. We categorize income from each program by whether it is a universal entitlement, whether the amount a person receives is income or wealth means tested and whether there is a *quid pro quo* attached to receipt of the income. By *quid pro quo* we mean that the benefits are conditioned on having paid into the system and the level of benefits are based to some degree on the level of past earnings.

Insurance-based public income programs

- **Old-age pensions**

X Program description

[To be added]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- **Invalidity pension**

X Program description

[To be added]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- **Miner pension**

X Program description

[To be added]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- **Farmer pension**

X Program description

[To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

- **War victim pension**

- X Program description
[To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

- **Widow/widower allowance**

- X Program description
[To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

- **Civil servant pension**

- X Program description
[To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

- **Worker accident pension**

- X Program description
[To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

Other public income transfer programs

- **Unemployment benefit**

- X Program description
[To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

- **Unemployment relief**

X Program description

[To be added]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- **Subsistence allowance**

X Program description

[To be added]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- **Maternity benefit**

X Program description

[To be added]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- **Student grant**

X Program description

[To be added]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

Sources of employment-based pension income

- **Supplementary civil servant pension**

X Program description

[To be added]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- **Worker pension**

X Program description

[To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

- **Company pension**

- X Program description
- [To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

- **Other pension**

- X Program description
- [To be added]

- X Universal entitlement: _____
- X Means tested: _____
- X Requires *quid pro quo*: _____

GOVERNMENT TRANSFER PROGRAMS IN GREAT BRITAIN

This document describes income sources in the BHPS. The primary purpose of the document is to provide a thumbnail sketch of government transfer programs in Great Britain. Government transfers being defined to include traditional programs in which those meeting specific conditions receive money as well as programs related to private retirement income plans. We generally divide transfer income into two categories: income that flows from public insurance-based benefits and income that flows from public welfare-based benefits. We categorize income from each program by whether it is a universal entitlement, whether the amount a person receives is income or wealth means tested and whether there is a *quid pro quo* attached to receipt of the income. By *quid pro quo* we mean that the benefits are conditioned on having paid into the system and the level of benefits are based to some degree on the level of past earnings.

- National Insurance Retirement Pension

- X Program description

This program provides state retirement benefits to those workers (or the spouse of a worker) with qualifying earnings relating to Class 1 contributions equal to at least 25 times the weekly Lower Earnings Limit in one of the two tax years on which the applicant=s claim is based. Benefits are available at age 60 for women and at age 65 for men. The pension age of women will be incrementally raised to age 65 over the period 2010 to 2020.

- X Universal entitlement: No

- X Means tested: No

- X Requires *quid pro quo*: Yes

- Widow or war widows pension

- X Program description

This National Insurance program extends benefits to widows of workers who have had (since April 6, 1975) qualifying earnings of at least 25 time the Lower Earnings Limit for the year in which earnings accrued or have paid 25 flat-rate contributions before April 6, 1975.

- X Universal entitlement: No

- X Means tested: No

- X Requires *quid pro quo*: Yes

- Widowed mothers allowance

- X Program description

This National Insurance program extends benefits to widows of employees, directors of companies, self-employed and workers making voluntary contributions if the workers have contributed the qualifying amount from earnings for minimum contributions in their respective class or if they have paid 50 flat-rate contributions before April 6, 1975.

- X Universal entitlement: No
- X Means tested: No
- X Requires *quid pro quo*: Yes

- Invalidity pension

- X Program description

The purpose of this program is to replace earnings of those incapable of work. Recipients must have had previously paid national insurance contributions. In 1995 benefits from this program were renamed as AIncapacity benefits.@

- X Universal entitlement: No
- X Means tested: No
- X Requires *quid pro quo*: Yes

- Severe disablement allowance

- X Program description

The purpose of this program is to replace earnings of those incapable of work and who have not previously paid national insurance contributions.

- X Universal entitlement: No
- X Means tested: Yes
- X Requires *quid pro quo*: No

- Industrial injury allowance

- X Program description

The purpose of this program is to compensate people who were injured or became sick in the course of employment.

- X Universal entitlement: No
- X Means tested: No
- X Requires *quid pro quo*: Yes

- Attendance allowance

- X Program description

This program is designed to meet the extra costs of caring for disabled persons over the age of 65 who have special needs. This program extends the *care* component of the Disability Living Allowance program to persons age 65 or older.

- X Universal entitlement: No
- X Means tested: Yes
- X Requires *quid pro quo*: No

- Mobility allowance

X Program description

This benefit is the mobility component of the Disability Living Allowance. That program is designed to meet the extra costs of disabled people with special needs for *care* or *mobility*. Can be claimed only up to age 65.

X Universal entitlement: No

X Means tested: Yes

X Requires *quid pro quo*: No

- Invalid care allowance

X Program description

The purpose of this program is to replace earnings for those who do not work because they are caring for a disabled person receiving the Disability Living Allowance or the Attendance Allowance.

X Universal entitlement: No

X Means tested: Yes

X Requires *quid pro quo*: No

- War disability pension

X Program description

The purpose of this program is to compensate people who were injured or became sick while serving in the armed forces.

X Universal entitlement: No

X Means tested: No

X Requires *quid pro quo*: Yes

- Disability working allowance

X Program description

This program is designed to supplement low pay of those working at least 16 hours per week. The benefit is restricted to workers whose employment prospects are affected by disability.

X Universal entitlement: No

X Means tested: Yes

X Requires *quid pro quo*: No

- Disability living allowance

X Program description

This program is designed to meet the extra costs of disabled people with special needs for *care* or *mobility*. Can be claimed only up to age 65.

X Universal entitlement: No

X Means tested: Yes
X Requires *quid pro quo*: No

- Unemployment benefit

X Program description

[To be inserted]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- Income support

X Program description

The purpose of this program is to maintain a minimum level of income for non working claimants and their dependents. Benefits above the basic rates are available to disabled persons (Adisability premium@). Before 1988 this benefit was called the ASupplementary benefit.@

X Universal entitlement: Yes

X Means tested: Yes

X Requires *quid pro quo*: No

- National Insurance sickness benefit

X Program description

[To be inserted]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- Child benefit

X Program description

[To be inserted]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- Lone parent benefit

X Program description

[To be inserted]

X Universal entitlement: _____

X Means tested: _____

X Requires *quid pro quo*: _____

- Housing benefit and council tax benefit

X Program description

This program subsidizes the payment of rent and council tax liabilities of claimants and dependents. Higher subsidies are available to disabled persons (a disability premium).

X Universal entitlement: No

X Means tested: Yes

X Requires *quid pro quo*: No

GOVERNMENT TRANSFER PROGRAMS IN THE UNITED STATES

This document describes government transfer programs in the United States, with government transfers being defined to include traditional programs in which recipients must satisfy specific conditions to receive money and programs related to private retirement income plans. We generally divide transfer income into two categories: income that flows from public insurance-based benefits and income that flows from public welfare-based benefits. We categorize income from each program by whether it is a universal entitlement, whether the amount a person receives is income or wealth means tested and whether there is a *quid pro quo* attached to receipt of the income. By *quid pro quo* we mean that the benefits are conditioned on having paid into the system and the level of benefits are based to some degree on the level of past earnings.

Insurance-based public income programs

• **Old-Age Insurance**

X Program description

The Old-Age Insurance (OAI) program provides a monthly pension benefit based on past earnings to workers and their spouses age 62 and older. To be eligible for benefits the worker must have contributed into the system for a fixed number of years.

X Universal entitlement: No

X Means tested: No

X Requires *quid pro quo*: Yes

2. **Disability Insurance**

X Program description

The Disability Insurance (DI) program provides a monthly pension benefit based on past earnings to those who are determined to be unable to perform any gainful activity. At age 65 all beneficiaries are automatically shifted to the Old-Age Insurance program. To be eligible for benefits a worker must have recently contributed into the system for a fixed number of years.

X Universal entitlement: No

X Means tested: No

X Requires *quid pro quo*: Yes

3. **Survivors Insurance**

X Program description

The Survivors Insurance (SI) program provides a monthly benefit to the survivors (spouse and dependent children) of a deceased worker who was covered by the Old-Age and Disability Insurance programs. Benefits are based on the past earnings of the worker.

X Universal entitlement: No

X Means tested: No

X Requires *quid pro quo*: Yes

- **Unemployment Insurance (UI)**

X Program description

Unemployment insurance provides benefits to regularly employed workers who become involuntarily unemployed and who are able and willing to accept suitable employment. The precise rules governing UI varies by state. In most states benefits are designed to replace about 50 percent of usual weekly wages subject to a maximum. Benefits typically last a statutory maximum of 26 weeks.

X Universal entitlement: No

X Means tested: No

X Requires *quid pro quo*: Yes

- **Workers Compensation (WC)**

X Program description

Workers compensation provides benefits to regularly employed workers who become involuntarily unemployed through work-related accidents. The precise rules governing WC vary by state. In most states benefits are designed to replace a fraction of usual weekly wages subject to a maximum. The fraction and maximum vary by state. Depending on the type and nature of the injury, a worker can be classified as having a permanent or temporary disability and that disability can be classified as either full or partial. The duration and amount of benefits vary with the classification of the disability.

X Universal entitlement: No

X Means tested: No

X Requires *quid pro quo*: Yes

- **Veterans Benefits**

X Program description

Veterans Benefits includes two programs that provide cash benefits. The first program provides benefits to veterans with service-connected disabilities. This program is similar in design to WC. A second program provides benefits to needy veterans who have non service connected disabilities. This program is similar in design to SSI.

Compensation for service connected disabilities

X Universal entitlement: No

X Means tested: No

X Requires *quid pro quo*: Yes

Pensions for non service connected disabilities

X Universal entitlement: No

X Means tested: Yes

X Requires *quid pro quo*: Yes

Other public income transfer programs

- **Aid to Families with Dependent Children (AFDC)/Temporary Assistance to Needy Families (TANF)**

X Program description

TANF replace AFDC effective in July 1997. TANF provides assistance and work opportunities to low-income families with children. Families can spend more than five cumulative years on TANF. States have broad flexibility to determine eligibility, methods of assistance and benefit levels. In all state, nearly all recipients must work after having received two years of assistance.

X Universal entitlement: No

X Means tested: Yes

X Requires *quid pro quo*: No

- **Supplemental Security Income (SSI)**

X Program description

Supplemental Security Income provides income support to persons 65 and older, blind or disabled adults, or blind or disabled children. Eligibility requirements and payment standards are nationally uniform. The disability requirement for SSI is the same as for DI. Benefit levels are based on an income test and an asset test.

X Universal entitlement: No

X Means tested: Yes

X Requires *quid pro quo*: No

- **Food Stamps**

X Program description

The Food Stamp program provides electronic benefit transfer payments that are accepted at most retail food stores. To qualify for benefits households must meet income and asset tests.

X Universal entitlement: Yes

X Means tested: Yes

X Requires *quid pro quo*: No

- **Work and Training Programs**

X Program description

The Federal government has at times created specific jobs targeted to members of low-income households. An example of these types of programs would be the Comprehensive Employment and Training Act of 1973 (CETA). This program ended in the early 1980s. Since the early 1980s, work-related programs have almost completely shifted to short-run training activities. An examples of this would be the Job Training Partnership Act of 1982. In general, to remain eligible for income transfers from programs like TANF and Food Stamps recipients are expected to enter job training programs.

X Universal entitlement: Yes

X Means tested: Yes

X Requires *quid pro quo*: No

- **Women with Infant Children (WIC)**

X Program description

WIC is a special supplemental food program that provides food assistance to low-income pregnant and post-partum women and their infants as well as to low-income children up to the age of five. Benefits are income and asset tested.

X Universal entitlement: Yes

X Means tested: Yes

X Requires *quid pro quo*: No

- **Public Assistance**

X Program description

General Assistance is provided by state and local jurisdictions. Eligibility requirements and payments vary from state to state and often within a state. Payment levels are usually lower than those provided by federally financed programs and are often of limited duration. Recipients generally include unemployed persons not currently eligible for UI and persons whose disabilities are not sufficiently severe to qualify for SSI.

X Universal entitlement: No

X Means tested: Yes

X Requires *quid pro quo*: No

- **Low-Income Home Energy Assistance Program**

X Program description

Provides benefits to eligible households to meet the cost of home energy. Benefits are income and asset tested.

X Universal entitlement: Yes

X Means tested: Yes

X Requires *quid pro quo*: No

Sources of employment-based pension income

- **Retirement, pension and annuity income**

X Description

Employer pensions are generally either defined contribution plans or defined benefit plans. Defined contribution plans are generally financed by explicit contributions from both the employer and employee. These funds are then invested. Benefits depend on the outcome of these investments. Defined benefit plans provide a specific benefit based on past earnings.

- **Veterans Pension**

X Description

Veterans pension provide defined benefit pension income for military service. To be eligible a veteran must have served a fixed number of years.

- **Individual Retirement Accounts (IRA)/401K plans**

X Description

These plans provide tax-sheltered mechanisms for retirement income generated through private savings.

Other sources of transfer income

- **Child support**

X Description

This category includes income from court imposed and voluntary payments from the non resident parent to the parent who provides care to the child.

- **Help from relatives**

X Description

This category includes income from non resident relatives.

- **Other transfer income**

X Description

This category includes income from any other non resident sources.