

Subject/Title	Identifying the Poor: Characteristics of Low- ncome Households in Taiwan
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Abstract	<p>This paper focuses on the total income of low-income households receiving the government's monthly living assistance with the lowest living standards below the poverty line based on monthly per capita income. By drawing from three government surveys conducted within the last decade on the living conditions of low-income households, it distinguishes three categories of poor households, namely, very poor, poor, and slightly poor households. Besides analyzing the specific factors that influence these categories, this study examines which factors increase the probability of both experiencing less poverty and conversely sinking into more poverty. A multinomial logit model is used to analyze the factors affecting the different categories of poor households and the extent of the changes from one poverty category to another. The empirical results indicate that the probability of poor households falling into the very poor group of households and seeing their situation worsen is higher for male-headed households than for female-headed households. Furthermore, the higher the number of household dependents, the more detrimental is the effect of poverty, while the opposite applies when the number of household members in employment increases, thereby increasing the probability of the household's poverty situation improving. The education of the household head only has a significant effect on the slightly poor category. However, after poor households obtain social assistance, those with less-educated household heads rely more on social welfare than their more-educated counterparts. After controlling for time variables, the age of the household head is found to have only a slight impact on households falling into the very poor group, so that poverty does not necessarily increase with age in Taiwanese society. Finally, the probability of poverty not changing over time appears to be gradually increasing, suggesting that the reliance on social welfare is likely to increase among Taiwan's poor households in the future.</p>

Keyword(s)

Low-Income Family ; Poverty Changes ; Proverty ; Multinomial Logit Model