

# Abstract

Receiving social assistance several times and over a long period of time is not an obstacle to securing employment afterwards. Various analyses show that labour force participation is important to ending the need for social assistance. Without social assistance, the personal income of social assistance recipients would be considerably reduced. Relatively many recipients of social assistance have a higher level of education by the time their social assistance is stopped compared with first-time recipients of social assistance.

Section 1 contains descriptions and methodical challenges related to different definitions in the social assistance statistics. It also provides a description of new benefit schemes where recipients of social assistance have been the target group.

Section 2 provides a historical perspective of the development in the number of benefit cases dating back to 1866 up to 2010. Reorganisations of the welfare administration, government guidelines and the legal basis that have formed the framework for the social assistance scheme are also covered.

Section 3 shows the gradual flattening out of the number of recipients of social assistance in the period from 2002 (with the exception of 2003 and 2004, which are special years in a statistical context) to 2008. From 2008 there was an increase in the number of recipients of social assistance. There are also disparities in social assistance paid to the different age groups, which appears to be connected to the fact that the need for social assistance changes with age. Single parents have become more dependent on financial support, and this particularly applies to single mothers with an immigrant background.

Section 3 shows that the development in the personal income for recipients of social assistance during the period 2005-2008 was about the same as for the rest of the population. Repeat recipients have the highest income, but one-time recipients had the largest increase in income from 2005-2008. This is related to the fact that the repeat recipients have a higher average age than the one-time recipients. Transfers in the form of disability pension and rehabilitation benefit are of most significance to repeat recipients, while earned income means most to the one-time recipients.

Among recipients under the age of 45 who received social assistance in both 2005 and 2008, an increase in earned income made up more than half of the total increase in income. Among the elderly, higher earned income made little contribution to the overall increase in income, with the increase in disability pension making the largest contribution.

Section 5 shows that only half of the recipients of social assistance have a connection to the labour market. Labour force participation is particularly important for the young, and the share in employment is highest among the young. The young also reap the benefits of improvements in the labour market to a greater extent. The prospects for the middle aged and elderly are poorer, the share in employment is smaller and the share that has not been in employment in previous years is high. Retirement due to disability is consi-

derable, but continuity in labour force participation is important for recipients of social assistance of any age.

In section 6, it is shown that most recipients of social assistance rent their home, paying an average of up to NOK 60 000 in rent in 2009. Recipients of social assistance also experience more problems in making payments, and the problems have a tendency to accumulate.

Section 7 shows that the lack of financial resources can make it difficult to have a social life. Although most people have friends and families that they meet regularly, the general tendency is that a larger share of recipients of social assistance lack such contact compared with the rest of the population.

In section 8, the first-time recipients of social assistance are broken down into three groups; those under 18 in 1991 (group 1), recipients who immigrated to Norway after 1991 (group 2) and other recipients who were first-time recipients of social assistance after 1994 and who are not included in the first two groups (group 3). Group 1 have the largest share who subsequently found employment, as much as 8 out of 10. The share for group 2 is almost as high. Obtaining more qualifications in the period between first-time receipt and final payment of social assistance may have had a positive effect on the correlation with finding employment for groups 1 and 2. The low share of employees in group 3 has a strong correlation to the high share in receipt of disability pensions in this group. Although immigrants (group 2) are perceived to struggle with long periods of social assistance, their employment level afterwards is considerable, and is more similar to the young (group 1) than the others (group 3).