

Poverty and Labour Market Participation of Public Assistance Recipients in Cyprus[†]

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Abstract

This paper investigates the depth of poverty and the employment behaviour of public assistance recipients in Cyprus by combining data collected via questionnaire with data drawn from the EU-SILC dataset. Large income inequalities among public assistance recipients indicate the need for better targeting of benefits. Obstacles to employment are bad health, low education, lack of job experience, family dependants, old age and low self-esteem. Wrong perceptions about the labour market contribute to the failure of public assistance recipients to become/remain economically active. Measures to improve the public assistance system and encourage the participation of benefit recipients in the labour market are proposed.

Keywords: public assistance, depth of poverty, labour market participation, labour market perceptions, Cyprus.

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