

# 11<sup>th</sup> Global Meeting of the NTA Network

## Income inequality by age group in Benin in 2011: An approach from National Transfer Accounts

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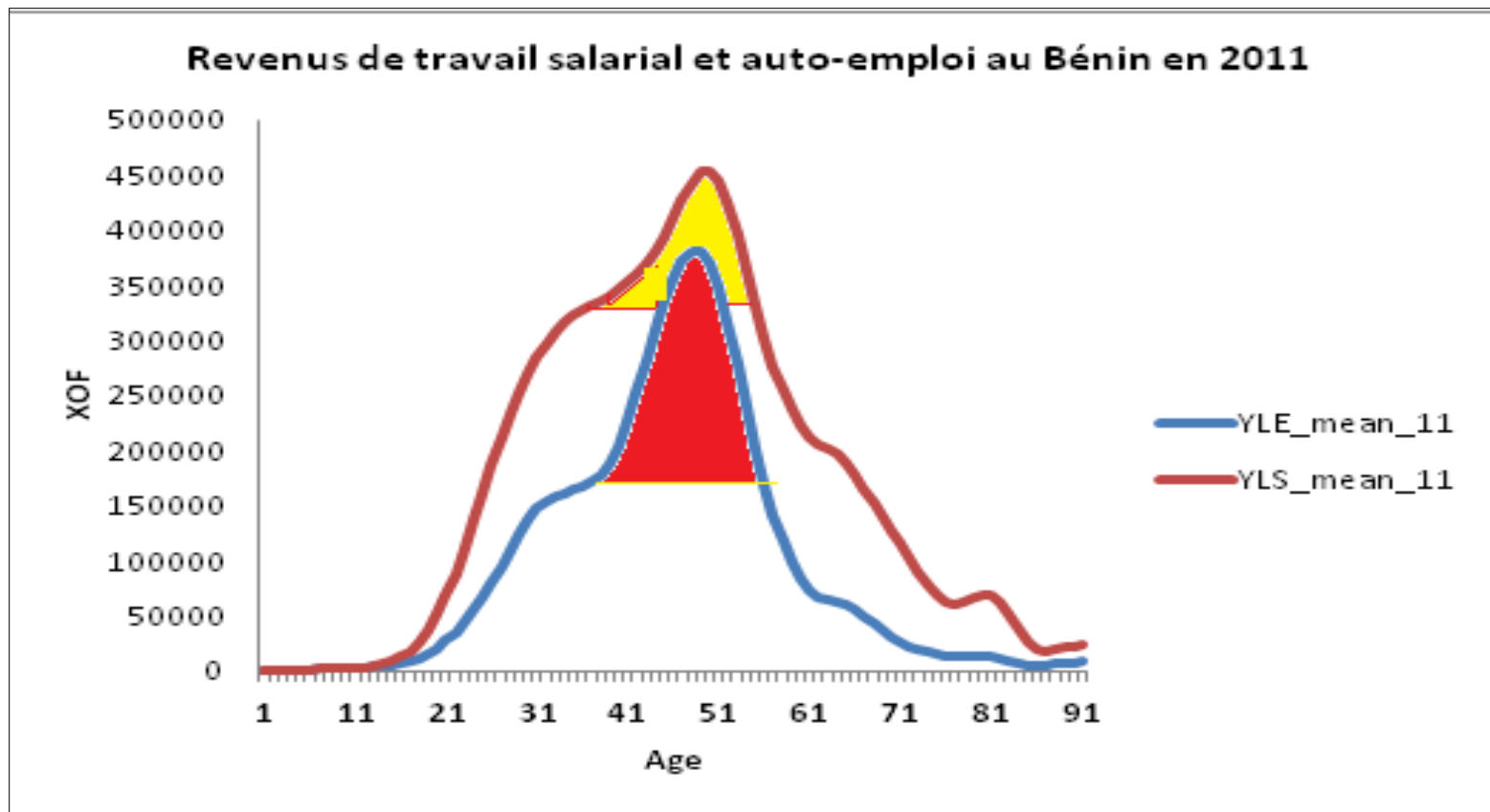
Dètonджи Camille GUIDIME

# OUTLINE

1. Introduction
2. Methodology and data
3. Main results
4. Next step

# 1. Introduction

In BIAO, OGA and GUIDIME (2014), we found that labor income (YL) is dominated by YLS more than YLE:



Aim of the paper: show evidence of income inequality by age group using NTA approach

## 2. Methodology and data

- **Estimate age profiles of labour income in 2011**
- **Estimate age profiles of consumption in 2011**
- **Calculate life cycle deficit in 2011**

## 2. Methodology and data

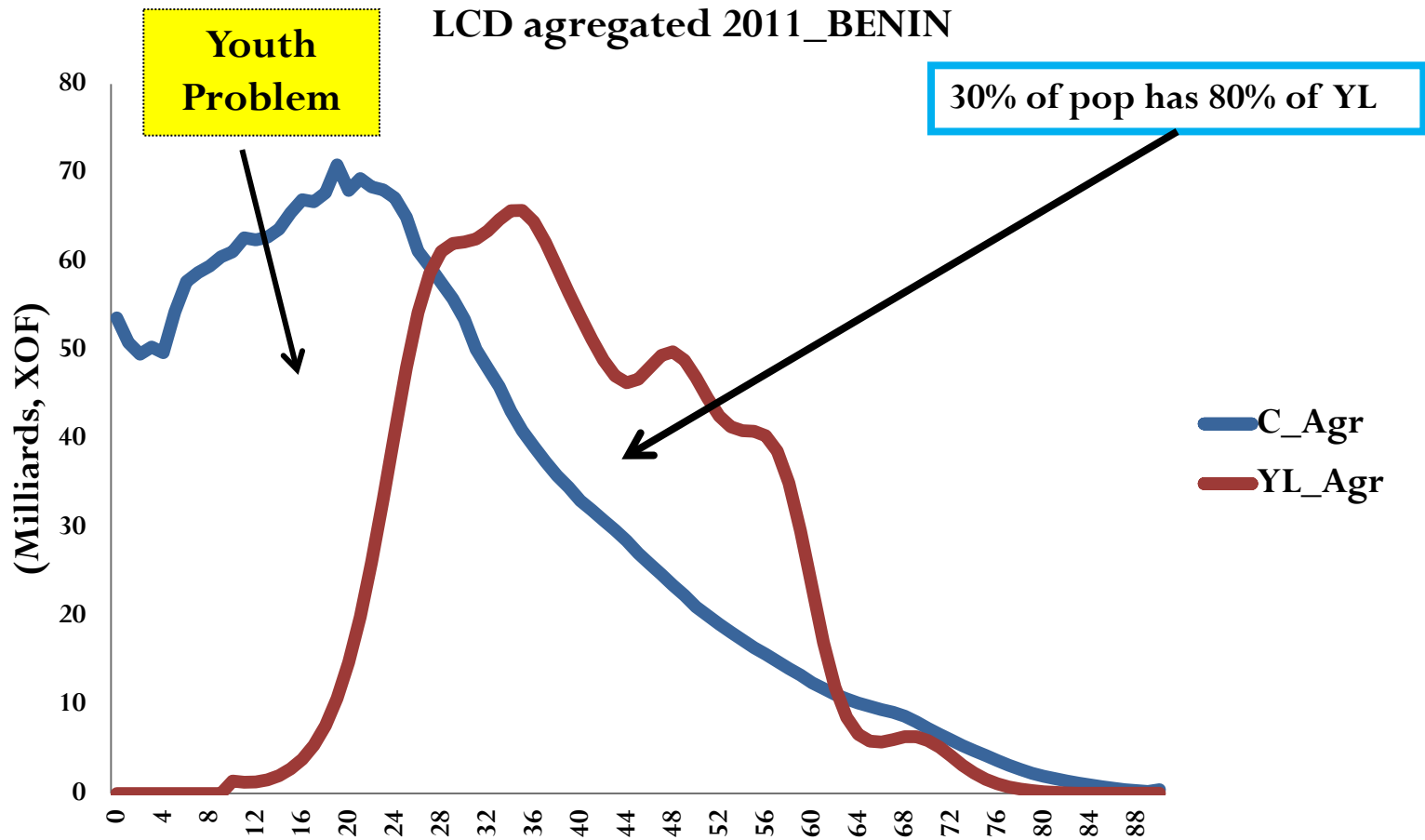
### DATA

- **Household Data survey (INSAE, 2011)**
- **(INSAE, 2009, 2012); Data from national accounts for 2011 (INSAE, 2013; 2014)**
- **Socio-economic indicators of Benin**
- **Health sector statistics, 2010 and 2015**

## **Data (continued)**

- **Strategy for Growth and Poverty Alleviation Report, 2011-2015: Estimation of health structure cost by program**
- **World Population Prospects (2013, 2015)**

# 3. Main results

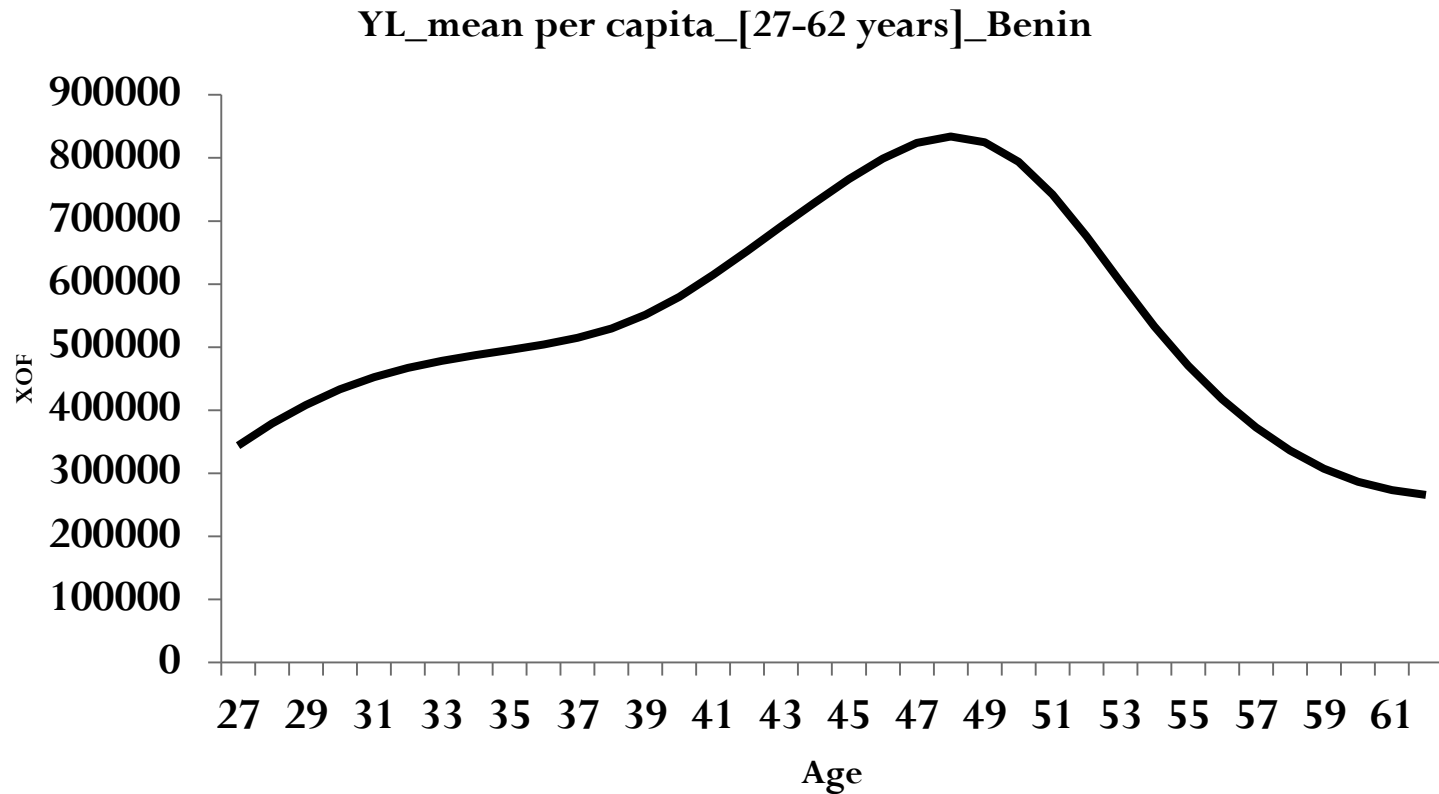




### 3. Main results

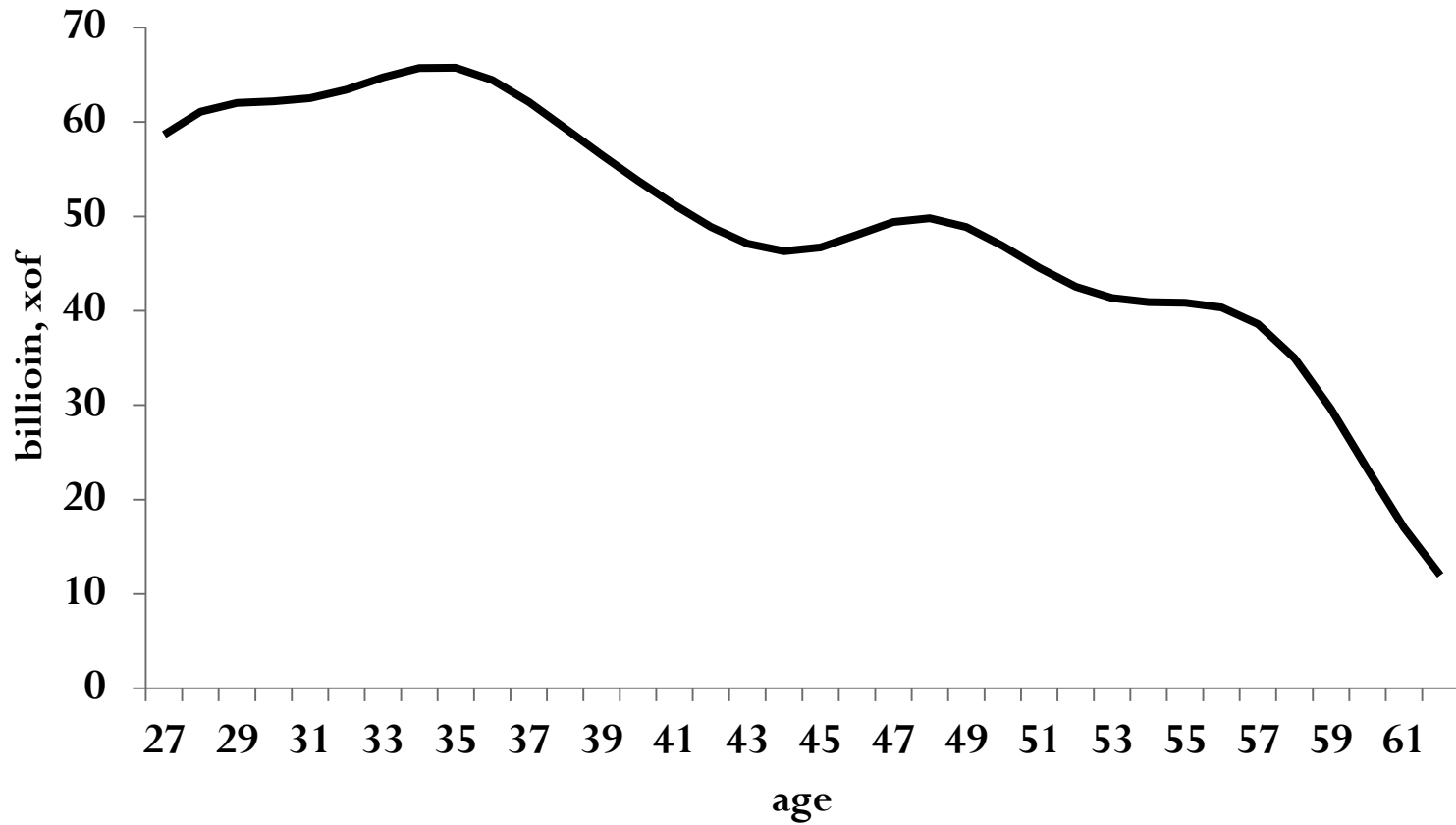
- **Years of surplus generated : 35 years in 2011**
- **The surplus is generated by the 27-62 year age group that accounts for 80% of labor income**

### 3. Main results

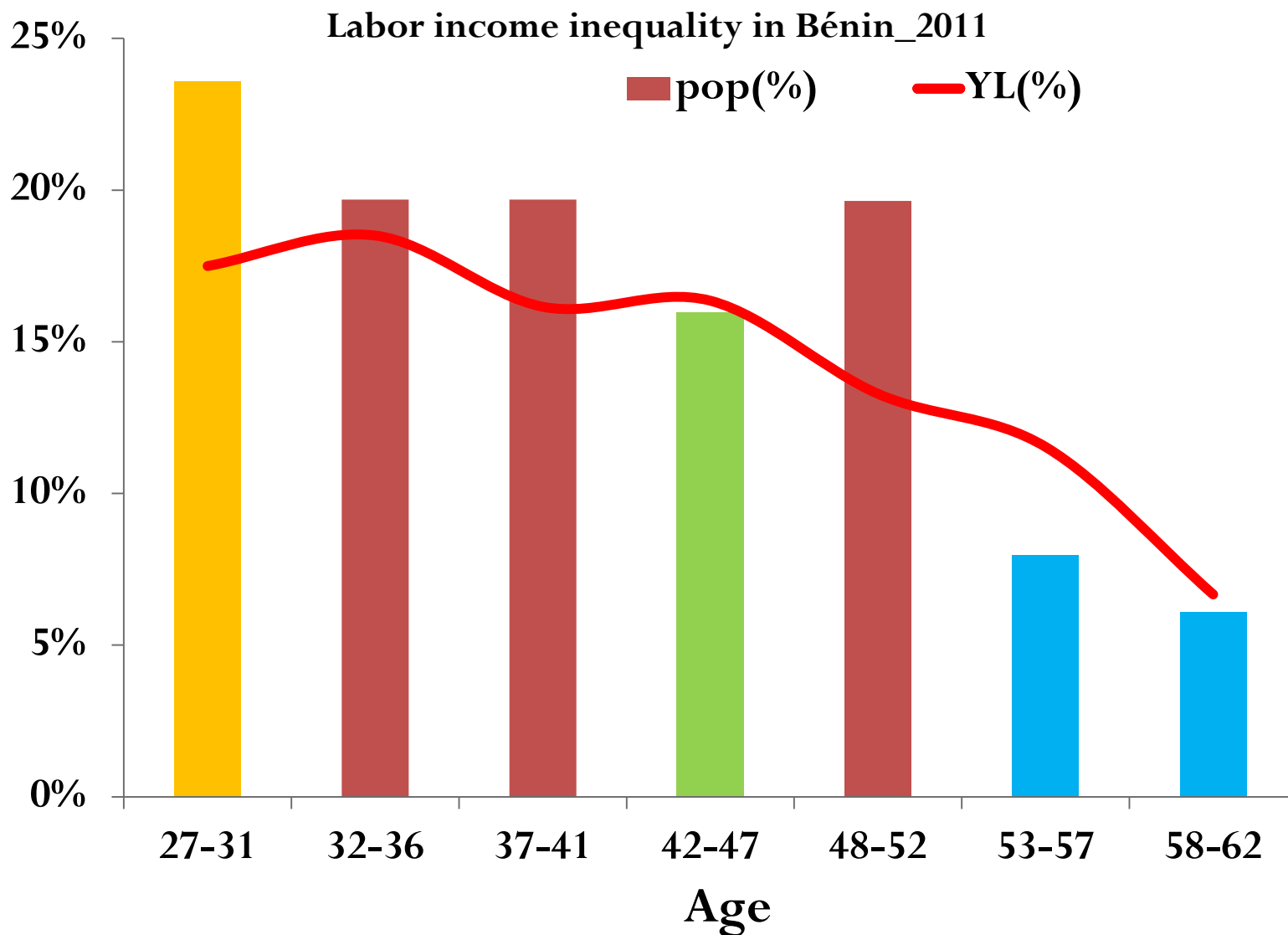


### 3. Main results

YL-agr\_[27-62 years]\_Benin



### 3. Main results



## 4. Next step?

- **Regardless of labor income distribution, the NTA method shows us evidence of income inequality**
- **The economic review of income inequality tests the role of population age structure in explaining income inequality factors (Albrecht and Garret 2009)**
- **The age structure of the population is paramount in the NTA methodology. So, the next question is how to use the NTA methodology to explain the determinants of income inequality**