

The Poverty Dynamics of the New Poor Families:

A Follow- up Study

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Because of economic globalization, many local industries and multi-national companies in Taiwan have shifted their production centers and employment opportunities to Mainland China and other countries. This has resulted in a rapid rise in the unemployment rate and a sharp increase in the new poor families in Taiwan.

The researcher was commissioned by the Ministry of Interior in 2005 to conduct a research to investigate this new phenomenon in Taiwan. This research study found that the characteristics of the new poor were quite different from that of the old poor. Over 70 percent of the new poor were middle-aged (40 and over) male breadwinners, most of them were unemployed or working poor with dependents at home. Government transfers only accounted for 11.57 percent of these new poor families' total income. This indicated that the social safety nets in Taiwan may fail to provide adequate protection for its growing new poor families.

This study, a follow-up study of the 2005 research project, is a panel study in nature, aims to follow up on the status and poverty dynamics of the breadwinners of 79 new poor families. This research will use questionnaires to collect data from all the interviewees and will conduct in-depth interviews with 8 of them. Through this follow-up study, the researcher hopes to help foster a new, deeper understanding of this rising new poor class and their poverty dynamics.

The goal of this study is to find answers to the following questions:

1. The current economic situation of these new poor families: How many of these families has become middle to low-income families? How many of them have been able to escape poverty? How long have they been stayed in poverty? What were the routes of them to get out of poverty?
2. The employment status of the new poor family's breadwinner: Is he/she still unemployed or has he/she found a job? During the last seven years, how has the job search process gone? In his/her job search process, did he/she receive any assistance? What were the major obstacles he/she faced?
3. Have these families received any government or private financial assistance during the past seven years? What is their assessment of the assistance they've received, and what is their evaluation of government policies?

4. Policy implications and suggestions.