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# Telecommunications for the needy: an exploratory approach from Portugal

Pedro Puga  
Gustavo Cardoso  
Rita Espanha  
Sandro Mendonça

**COST605 - Econ@Tel - A Telecommunications Economics COST  
Network**

OberCom - Observatório da Comunicação  
Palácio Foz - Praça dos Restauradores  
1250-187 LISBOA

e-mail: [obercom@obercom.pt](mailto:obercom@obercom.pt)  
tel./phone: 213221319  
fax.:213221320  
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- ▶ This work comes as a contribution to Prof. L-F Pau's research agenda on telecommunications and individuals/groups in need.
- ▶ We found some difficulties on covering the suggested indicators: different indicators or lack of national statistic information.

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1. National official poverty threshold per household (from Social laws)
2. Number of people in households under national poverty threshold
3. National median revenue per household (half of population under and over median)
4. Minimal social insertion income (public grant to poorest working age people who accept it)
5. Number of people in households living with social insertion income
6. Number of pension age people recipient of public grant (typically pension level under poverty threshold)
7. Number of prisoners



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8. Number of youngsters aged less than working age ,with income or pocket money under minimal social insertion income level
9. Mobile penetration in group (2) and average spend/month
10. Mobile penetration in group (5) and average spend/month
11. Mobile penetration in group (6) and average spend/month
12. Mobile penetration in group (8) and average spend/month
13. Average spend on TV equipment amortization and media subscriptions in group (2)
14. Average spend on Internet access and content in group (2)



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15. Range on 3 room 60 m2 rental cost averages in cities above 100 000 inh.
16. Minimum regulated rice of one consultation at doctor (before social benefits)
17. Social legislation subsidizing directly needy's communications needs under specific conditions
18. Regulations for Universal service provisioning by operators but with no user subsidies ; difference fixed/mobile/internet
19. Personal insolvency rate in total population for non-business reasons (Court decisions)



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## Outline:

- ▶ Framework: Social Demographic Indicators
- ▶ Usage Patterns and Spending on Communications
- ▶ Some Findings

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# Social-demographic indicators

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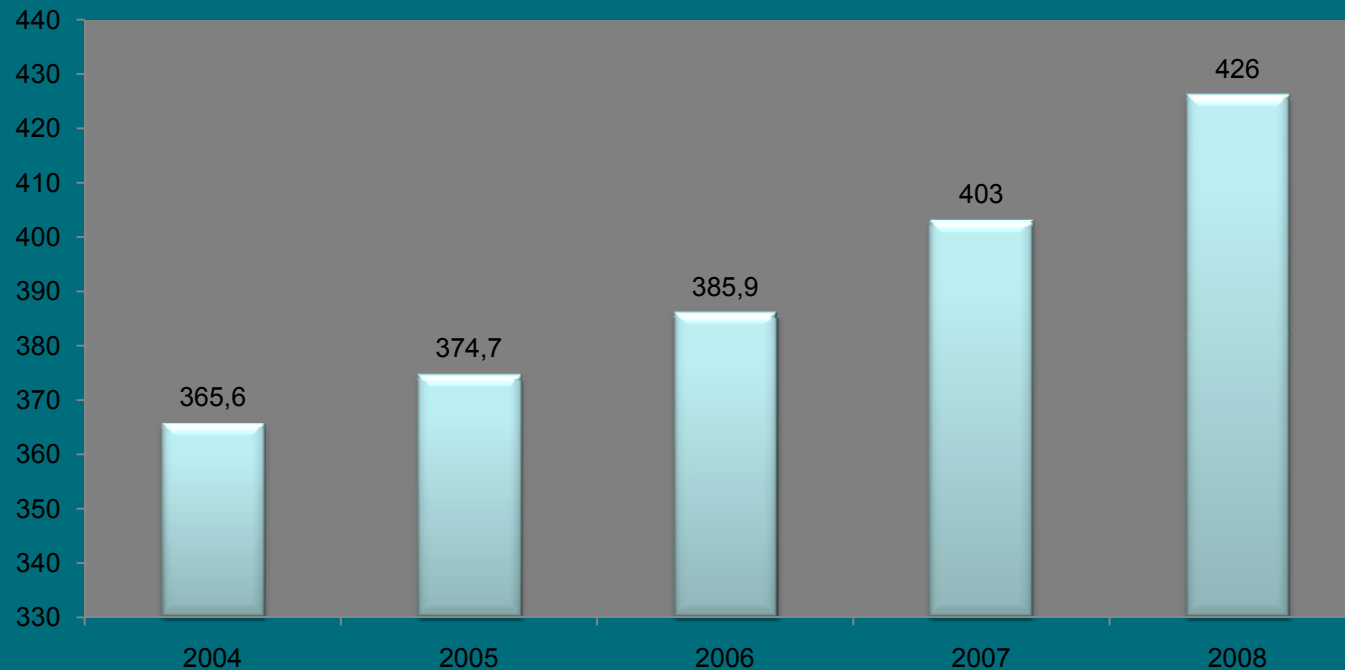
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## National Minimum Wage evolution (euros)



Source: DGERT - Minister of Work and Social Security

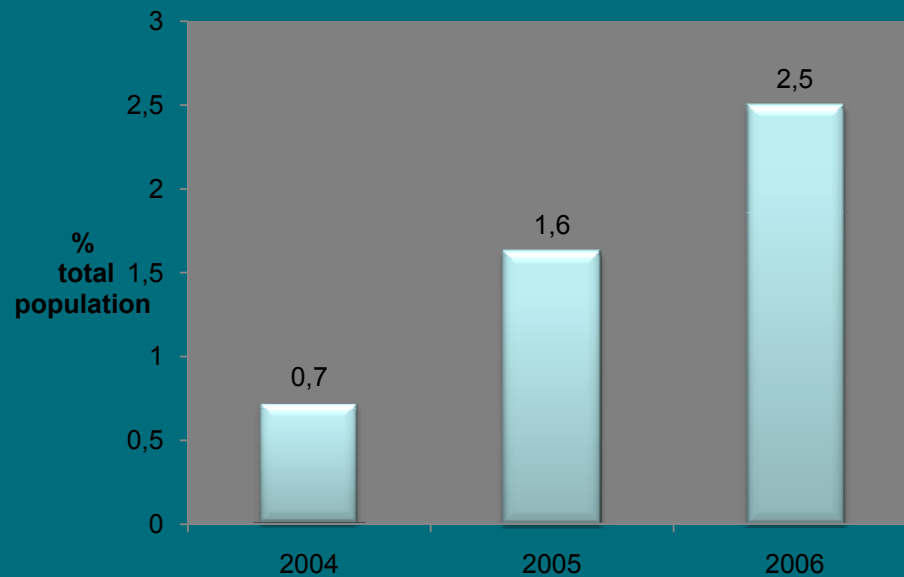
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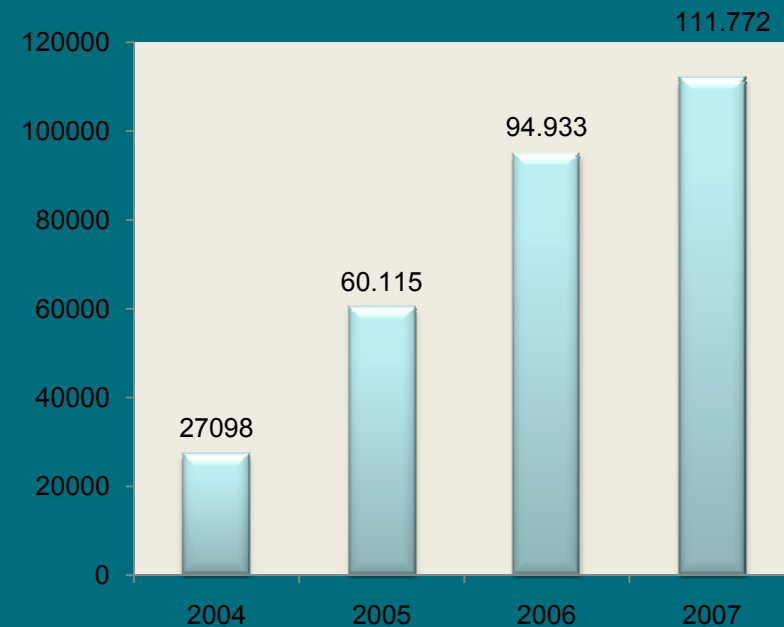
## Social Insertion Income – number of...:

### Individual beneficiaries (December)



Source: Elaborated based on the data of The Portuguese Social Security System (Individual Beneficiaries) and Eurostat (Population)

### Families (December)



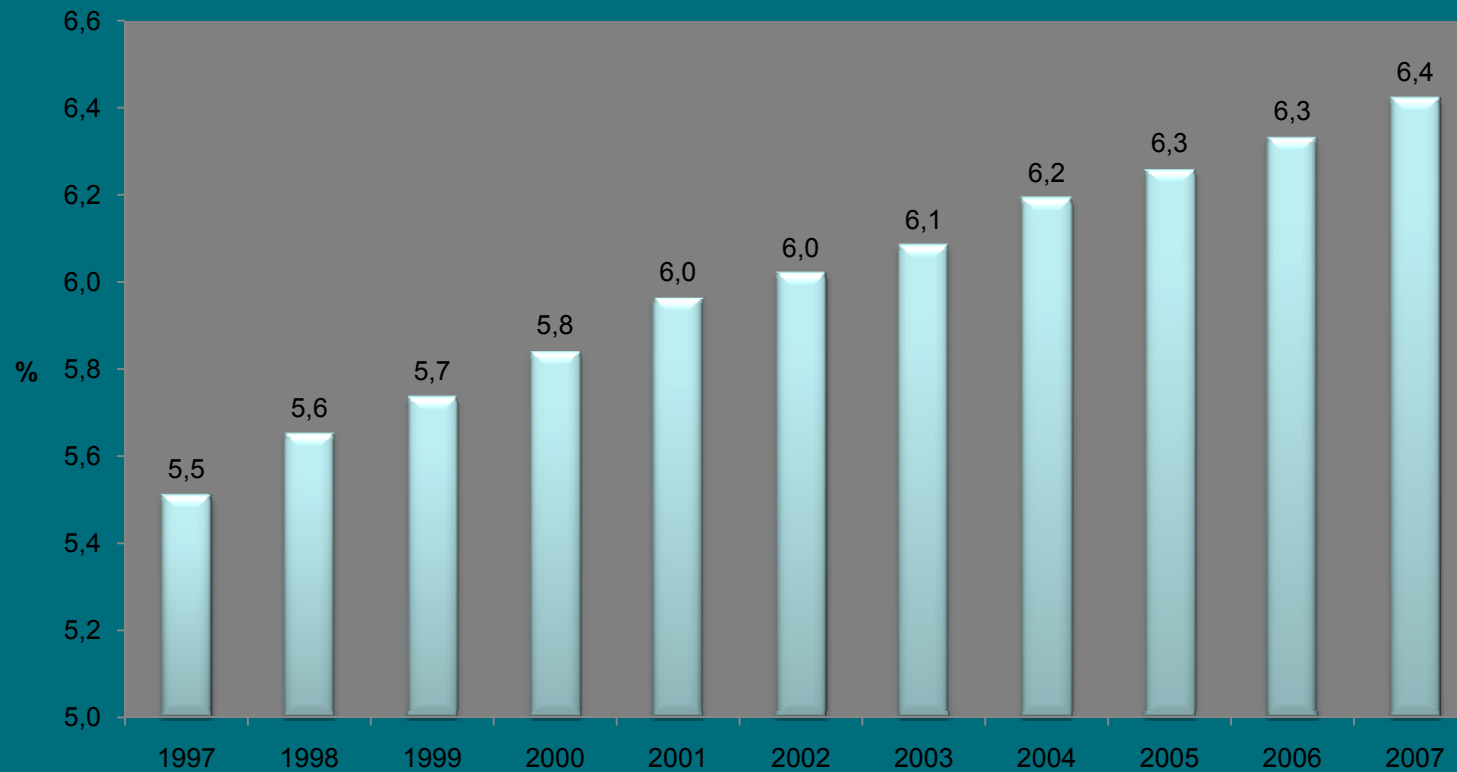
Source: The Portuguese Social Security System



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## Survival pension - number of people



Source: Elaborated based on the data of The Portuguese Social Security System (Individual Beneficiaries) and Eurostat (Population)

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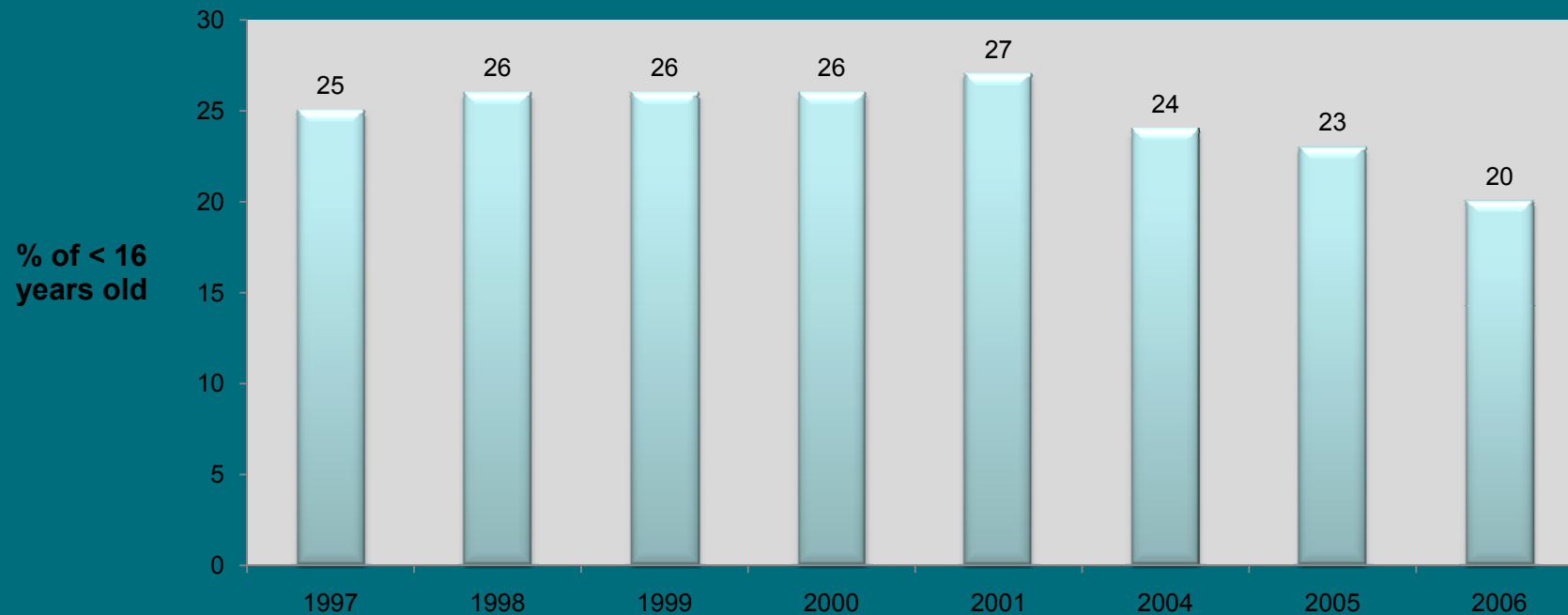
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## Youngsters < 16 years old in risk of poverty (after social transfers)



Source : Eurostat

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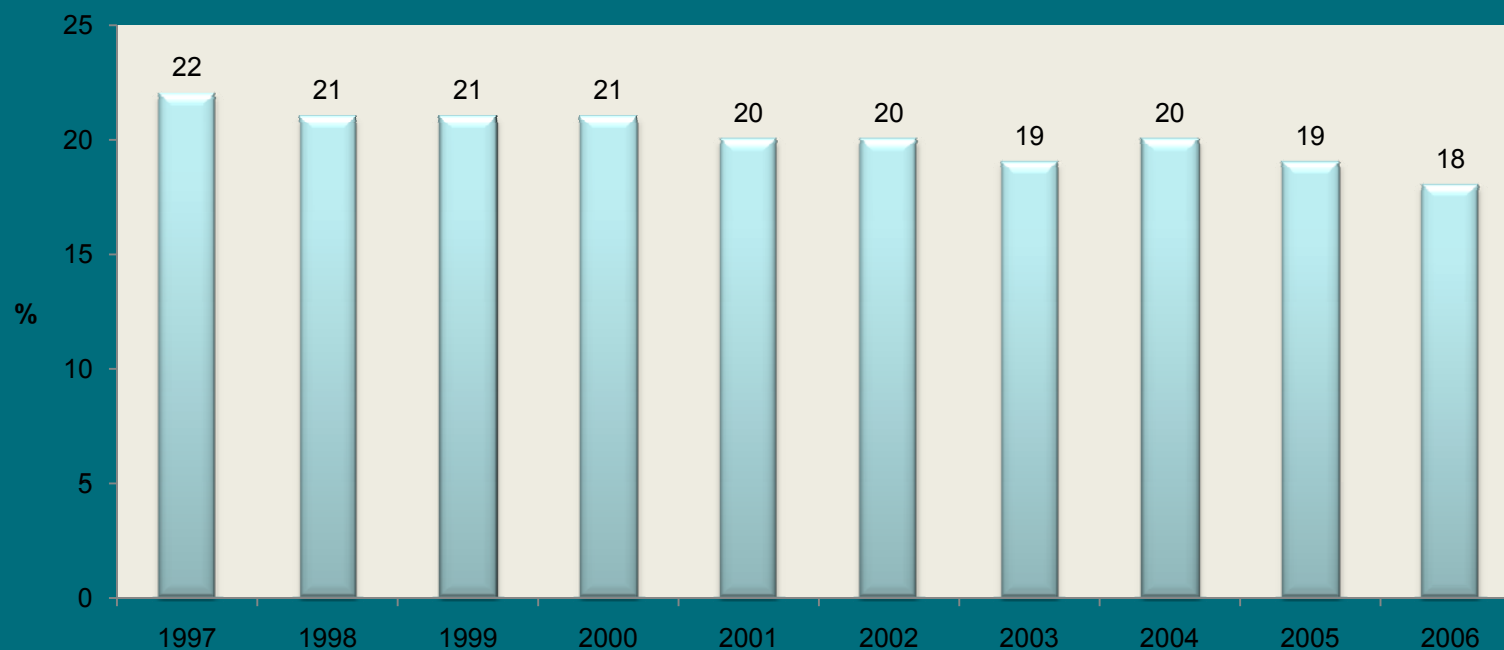
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## Poverty risk population (after social transfers)



Source : Eurostat

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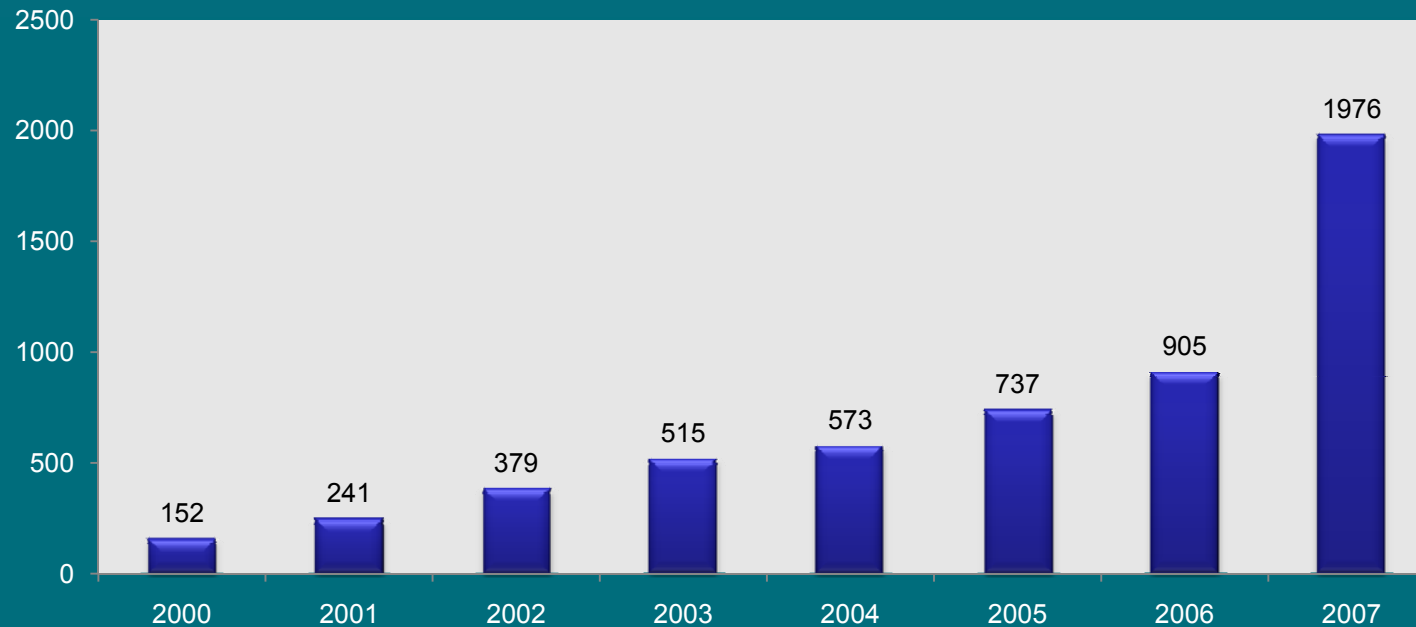
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## Number of over-indebtedness processes - individuals



Source: Deco (Portuguese Association for the Consumer Defense)

- ▶ In 2006, the over-indebtedness of the individuals was 124% of the available revenue (Source: INE – Statistics Portugal (Social Indicators 2006)).

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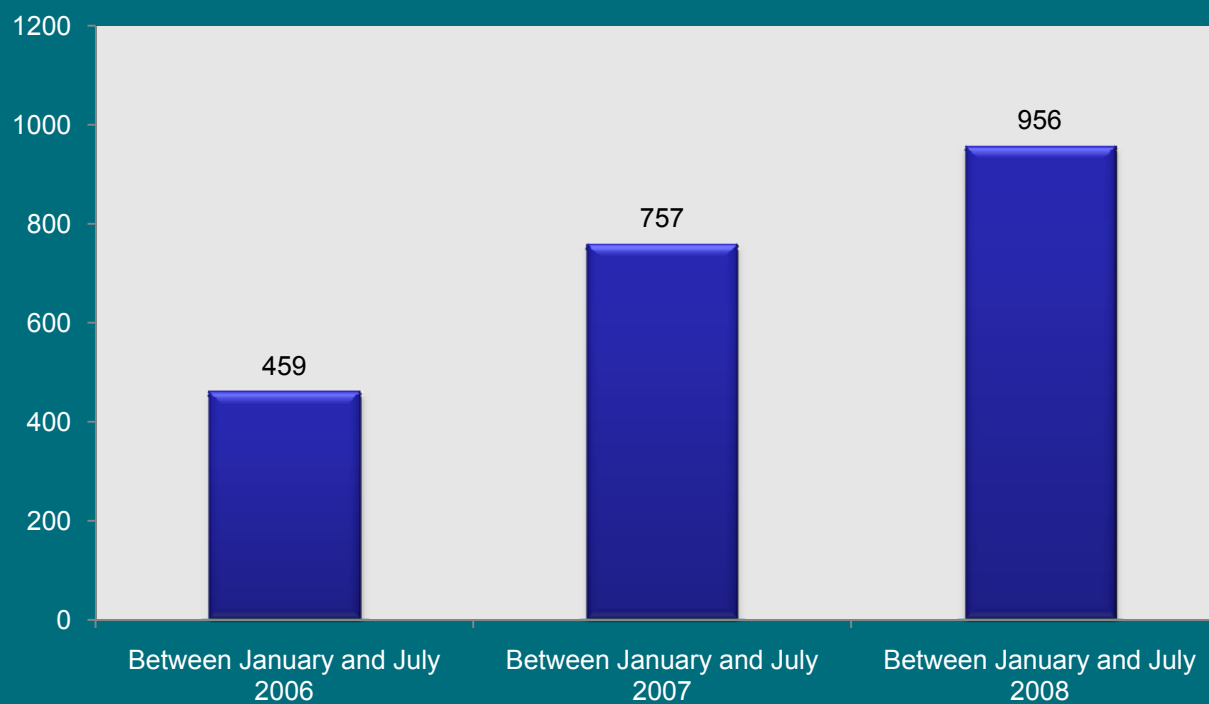
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## Processes of over-indebtedness by families:



Source: Deco - Portuguese Association for the Consumer Defense

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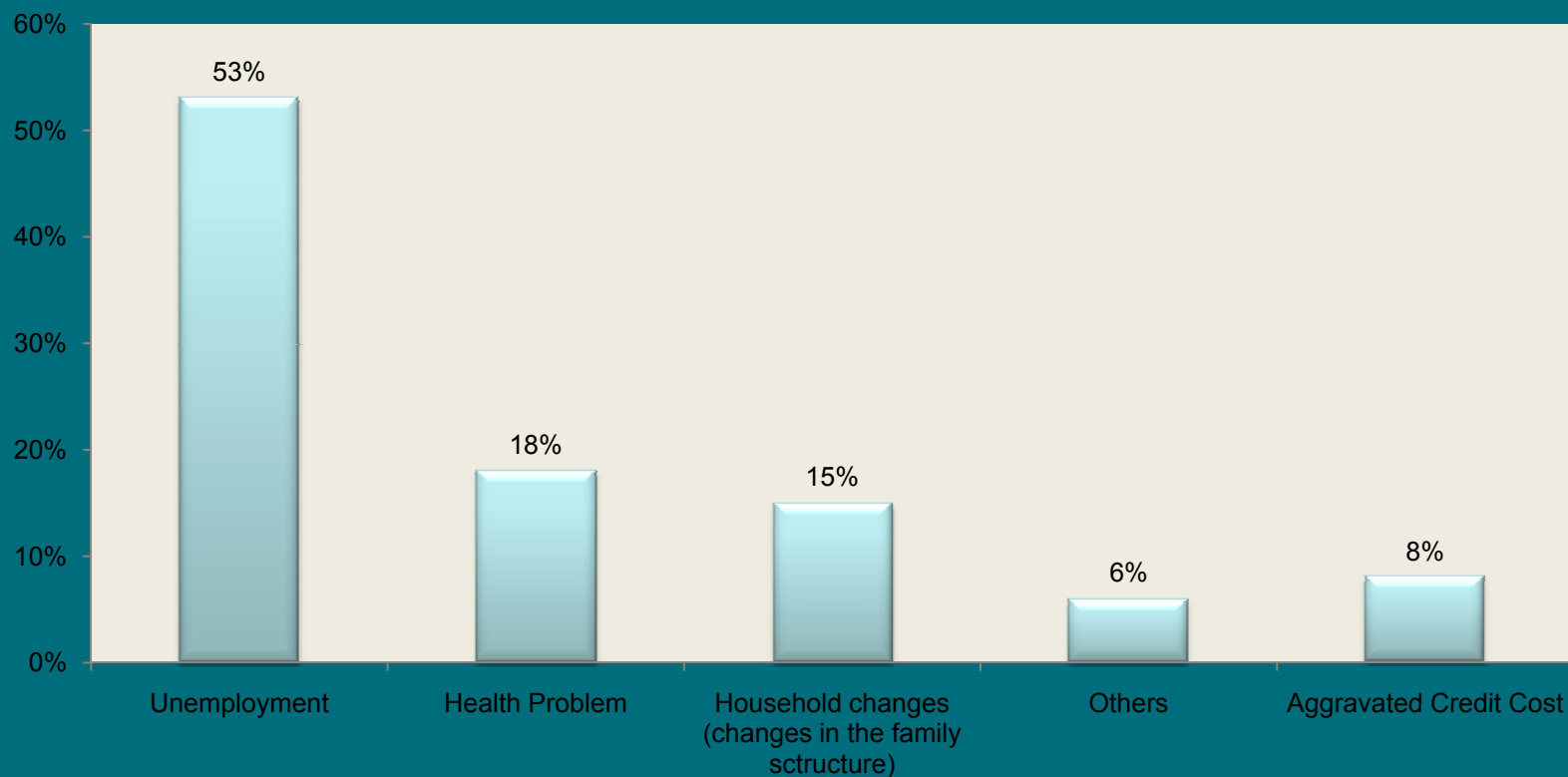
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## Causes - Processes of over-indebtedness by families (January to July 2008)



Source: Deco - Portuguese Association for the Consumer Defense

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## Telecommunications expenditures

How do people in Portugal spend their money on  
Telecommunications/Media?

Source: Network Society in Portugal 2008 (Survey)

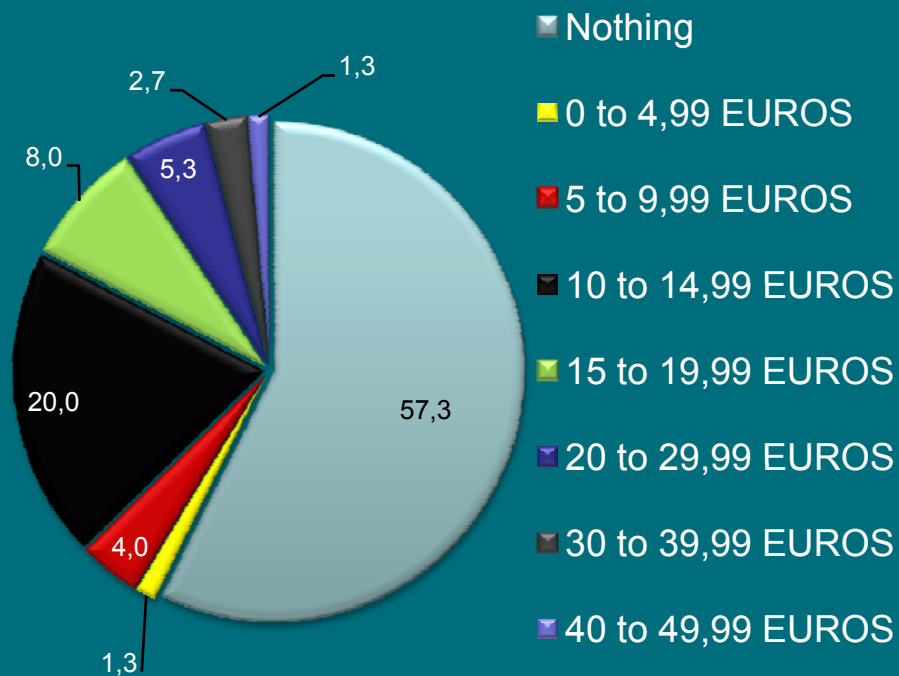
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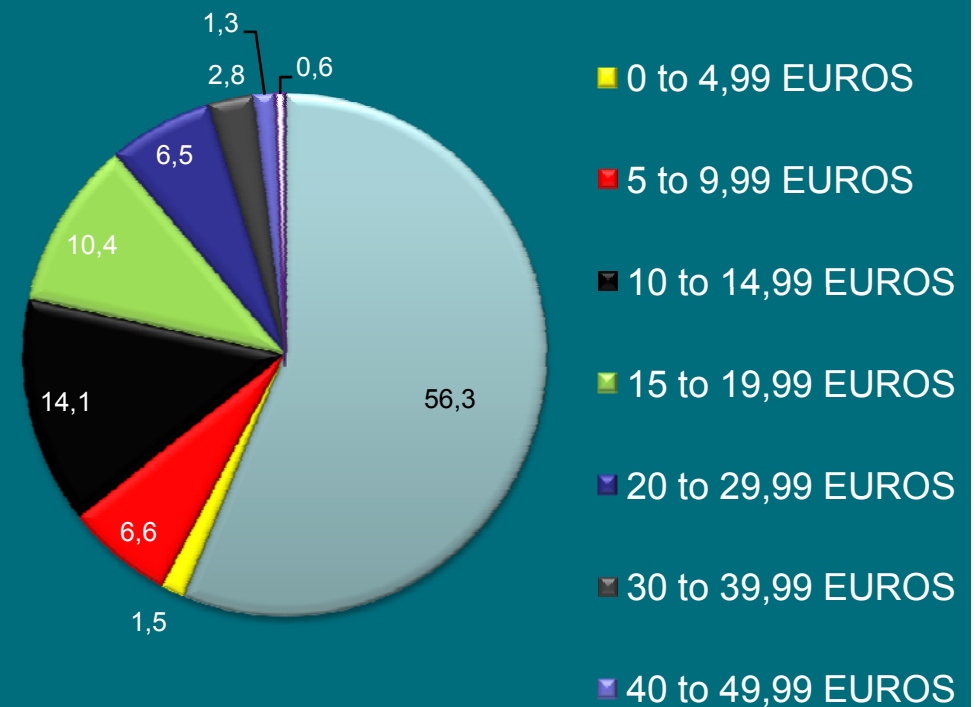
## How much do you, in average, spent per month on Fixed Phones (services and goods) ? (%)

### Wage ≤ 500 Euros (Household)



Average (wage ≤ 500 Euros - Household): 5 to 5,99 Euros

### Total Population

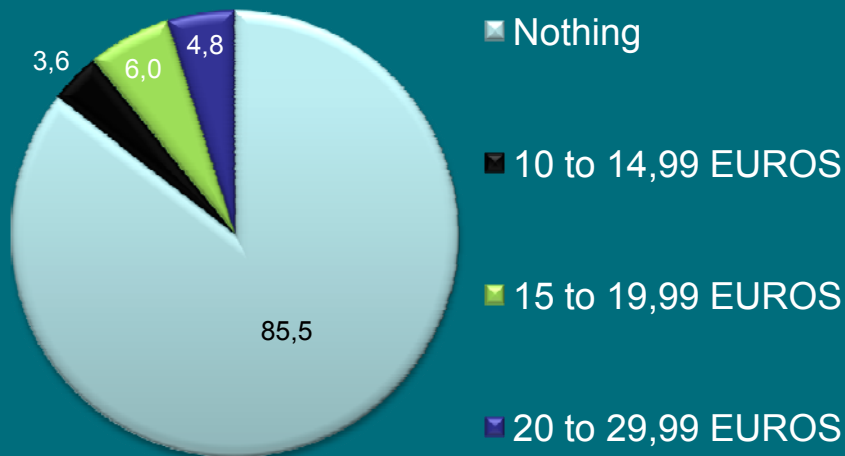


Average (Total pop.): 5 to 9,99 Euros



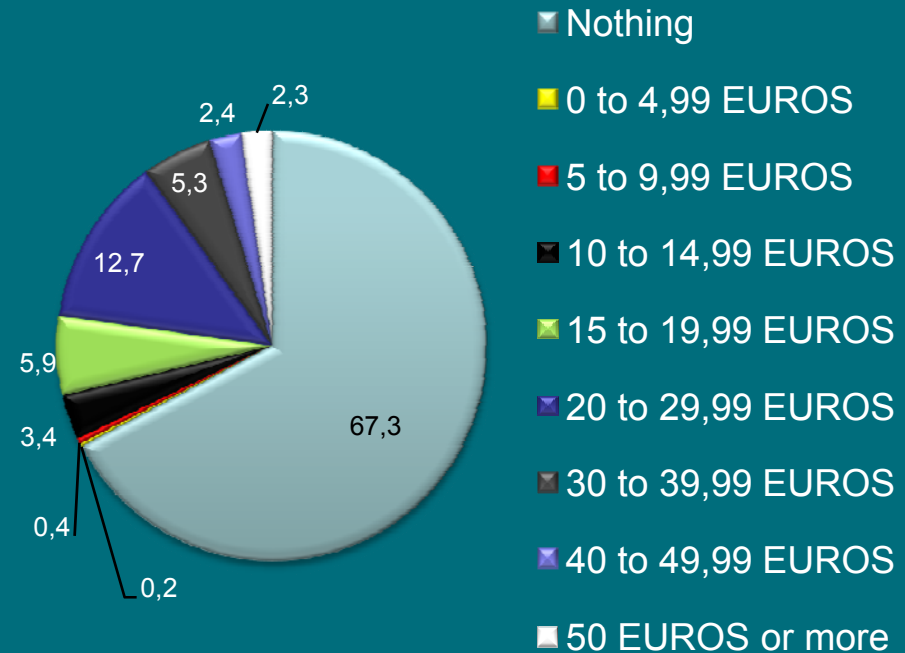
## How much do you, on average, spent per month on TV Services? (%)

### Wage ≤ 500 Euros (Household)



Average (wage ≤ 500 Euros - Household): 0 to 4,99 Euros,

### Total Population

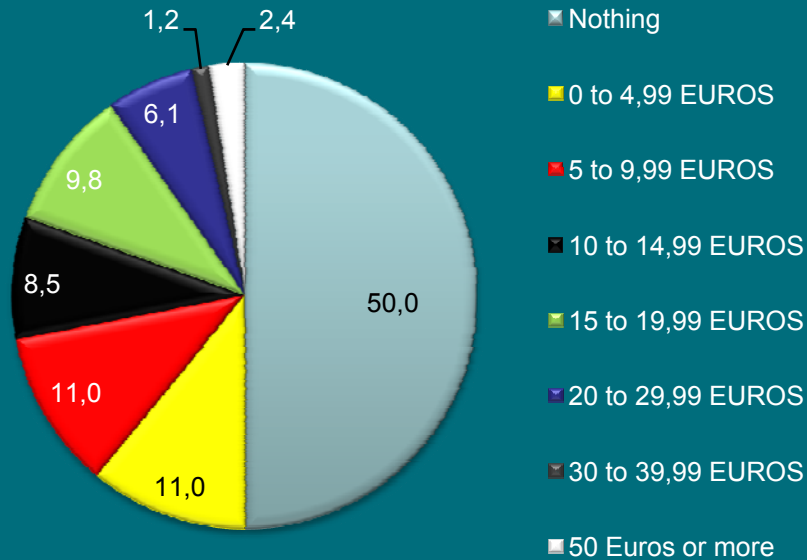


Average (Total Population): 5 to 9,99 Euros.



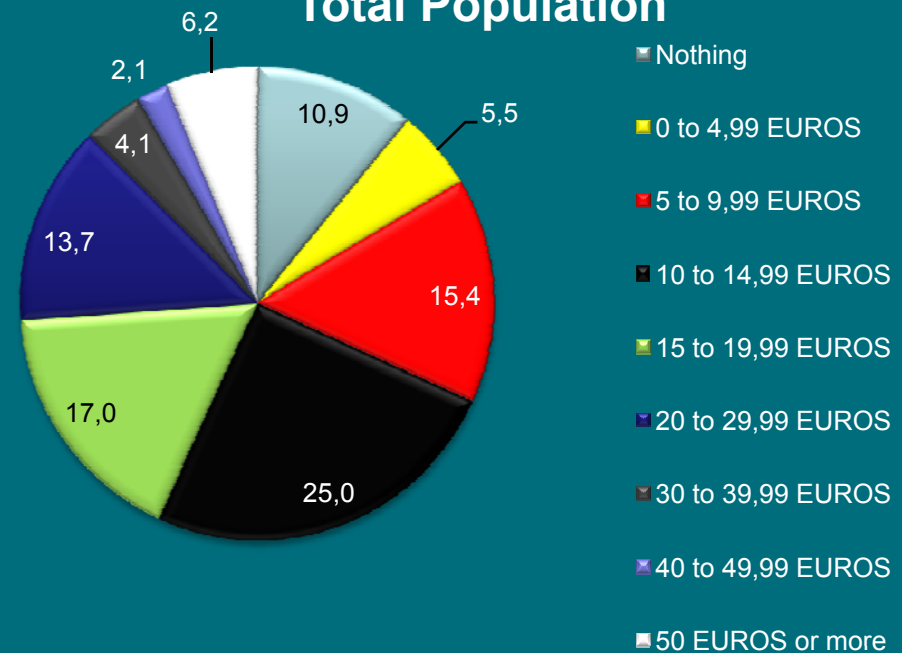
## How much do you, on average, spent per month on Mobile Phones (services and goods)? (%)

### Wage ≤ 500 Euros (Household)



Average (wage ≤ 500 Euros - Household): 5 to 5,99 Euros

### Total Population



Average (Total Population): 10 to 14,99 Euros



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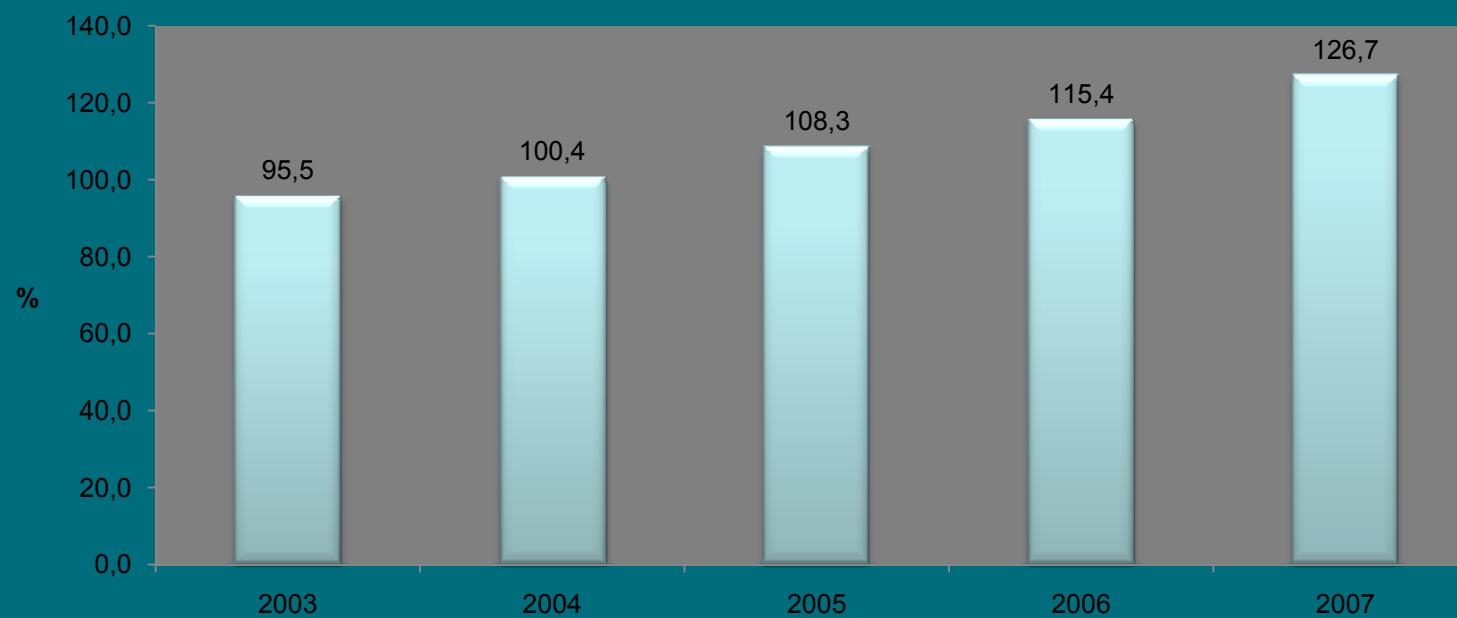
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## Mobile Phone Penetration Rate



Source: ICP- ANACOM

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## Some major findings:

- ▣ The number of people with social insertion income had increased every year (2004-2006).
- ▣ Number of people with survival pension had also increased (1997-2007)
- ▣ The % of Youngsters < 16 years old in risk of poverty (after social transfers) had decreased from 2004 (24% of youngsters < 16 years old) to 2006 (20% of youngsters < 16 years old). However, it still a significant number.
- ▣ The number of families (and individuals) with over-indebtedness processes increases every year since 2000 mainly due to unemployment and also health problems, but we also have to consider aggravated credit costs.
- ▣ When it comes to TV services and Mobile Phones the “needy” spend less money when compared to data from total population.

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New Technologies = “new” phenomenon vs Needy = “old” phenomenon

## General Questions:

- Telecommunications can be a problem for the needy?
- Are Telecommunications a need for the needy in nowadays?

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## Questions:

- Media Literacy matters? Is it a way for improving one's life or for getting better jobs? Does mobile telecommunications gives the needies more opportunities to overcome the needy situation?
- Digital Divide and the needy: do we need to support or give subsidies to the needy for the use of Telecommunications?
- Status and Identity for the needy: Needy people might "feel need" for consume of Telecommunication goods and services, due to status and/or identity proposals.
- Does telecommunications technology (mobile phones, for instance) bring addiction to the users? Does addiction represent a major threat for the needy?
- If so, why subsidise the needy for use of mobile communications?



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Thank you

Pedro Puga: [pedro.puga@obercom.pt](mailto:pedro.puga@obercom.pt)

Gustavo Cardoso: [gustavo.cardoso@obercom.pt](mailto:gustavo.cardoso@obercom.pt)

Rita Espanha: [respanha@obercom.pt](mailto:respanha@obercom.pt)

Sandro Mendonça: [sfm@iscte.pt](mailto:sfm@iscte.pt)

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