

Cost benefit analysis on third child allowances in North Macedonia

- Context
 - Decreased birth rate
 - Decreased fertility rate
- Third child allowances measure, introduced in 2009
- Main goal to increase birth rate and fertility
 - 8250 MKD, per month in the period of 10 years
- Cost benefit analysis for the period 2009-2039

Costs

- Direct costs as a budget transfers for the measure
 - In 2009 – 3 millions EUR, annually
 - In 2015 – 35 millions EUR, annually
 - In 2018 – 42 millions EUR, annualy
- Public campaign
- Indirect costs – mothers inactivity in the labour market
- Child support costs after the age of 10

Benefits

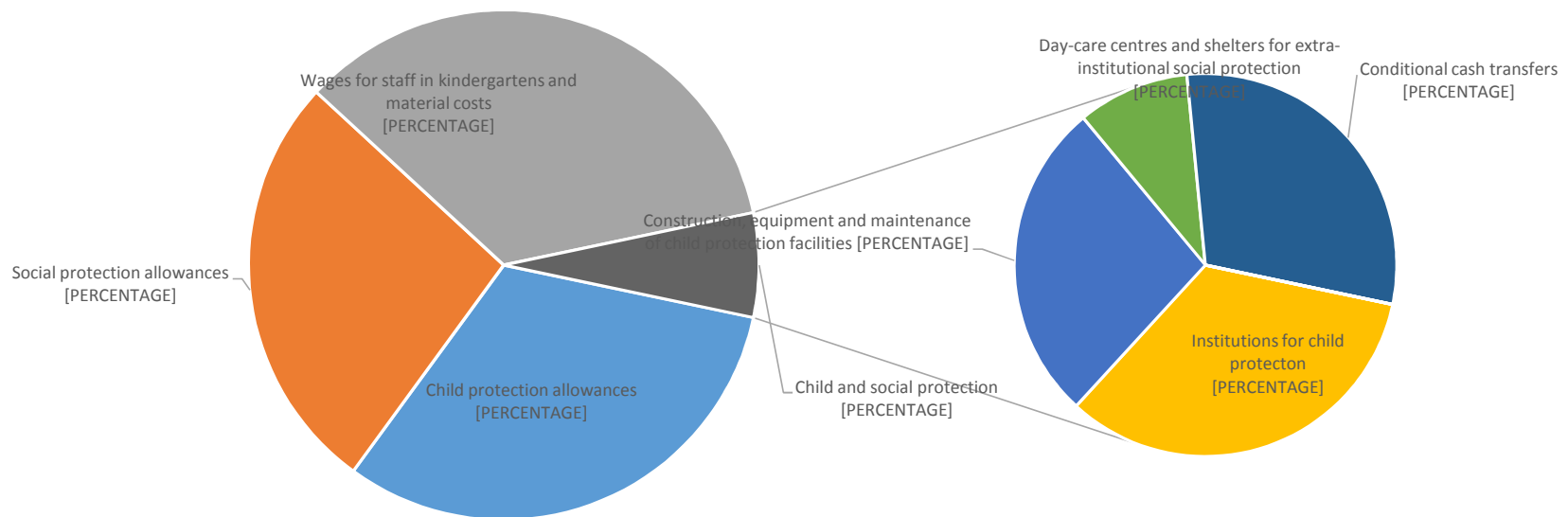
- Increased personal consumption
 - 90% of received amount
- Decreased public expenditures on pensions
 - Due to decreased age dependency ratio
- Increased GDP

Net effects

- Negative net benefits
- Fertility rate
 - 1.48 in 2007
 - 1.53 in 2016

Budget funds allocated for social protection of children and structure per programmes -2010

Structure of budget funds for social protection of children, 2010



Budget funds allocated for social protection of children and structure per programmes -2018

