Abstract for “The Impact of the Expansion of the Bolsa Família Program on the Time Allocation of Youths and Labor Supply of Adults”

Lia Chitolina (University of São Paulo, Brazil)
Miguel Nathan Foguel (Instituto de Pesquisa Econômica Aplicada, Brazil)
Naercio Menezes-Filho (University of São Paulo, Brazil)

This paper evaluates the impact of the 2007 expansion of the Bolsa Família Program to families with youths aged 16 to 17 years (Benefício Variável Jovem) on the time allocation of youths and on the labor supply of adults. The differences-in-differences estimator was used to compare households among the poorest 20% with 16 years old members with households in the same income bracket with youths of 15 years of age. The results show that granting the benefit had a significant and positive impact on school attendance and on the decision of young people to study and work at the same time. The effects on school attendance were stronger for males and when the child was the youngest of the household. With respect to the labor supply of parents, a positive impact was found on the employment probability of the mother.