Exercise 1: Getting Started

Running UKMOD and analysing output

# Objectives

* Run UKMOD and produce output files.
* Use the Statistics Presenter to generate summary statistics.
* Compare distributional statistics across policy years and between countries.
* Assess the redistributive effect of taxes and benefits.

# Directions

The Statistics Presenter provided with UKMOD can be used to calculate a range of common summary statistics for simulated output. Amongst others, it computes population aggregate measures of income, taxes, and benefits; poverty and inequality indices for the overall population and for selected subgroups; and measures that describe the importance of alternative income sources, distinguished by population subgroup. Calculations are based on UKMOD standard micro-data output, which includes variables for disposable income and its components (original income, benefits, taxes and social insurance contributions).

* Open UKMOD and access the UK policy descriptions.
* Run UKMOD for 2025 and 2026.
* Use the Statistics Presenter to analyse the effects on inequality and poverty of moving from the transfer system from 2025 to 2026.
* Run the same analysis for Scotland (SC) and Wales (WL).