

## Living conditions and social protection

# 6





## Introduction

**Eurostat** data on living conditions and social protection aim to show a comprehensive picture of the social situation in the **European Union (EU)**, covering indicators related to income, housing, material deprivation, poverty, social exclusion and social protection. The demand for statistics on living conditions and social protection received a new impetus following the introduction of the social chapter of the **Amsterdam Treaty** (1997) which became the driving force for EU social statistics. This was reinforced by successive **European Councils** that have kept the social dimension high on the political agenda. Moreover, 2010 was designated as the European year for combating poverty and social exclusion.

Eurostat collects and publishes a broad portfolio of social inclusion indicators, **employment** and social policy indicators. Data covering living conditions and social protection come from three main sources:

- household budget surveys (HBS);
- EU statistics on income and living conditions (EU-SILC);
- the European system of integrated social protection statistics (ESSPROS).

Information is collected through an open method of coordination, designed to encourage national governments to provide regular data concerning social protection and social inclusion/exclusion, while focusing on combating poverty and social exclusion, reforming social welfare systems, and tackling the challenges posed by demographic

change (in particular, population ageing). Social risks (such as unemployment, ill health or social exclusion) or actions that are undertaken to help meet social needs can be evaluated by studying data on social protection expenditure and receipts.

The Europe 2020 strategy for smart, sustainable and inclusive growth put forward by the **European Commission** provides a growth strategy for the coming decade. A European platform against poverty will be one of the seven flagship initiatives of this strategy. The goals are to:

- ensure economic, social and territorial cohesion;
- guarantee respect for the fundamental rights of people experiencing poverty and social exclusion, and enable them to live in dignity and take an active part in society;
- mobilise support to help people integrate into the communities where they live, get training and help them to find a job and have access to social benefits.

To measure progress in meeting the Europe 2020 goals, five headline targets to be met by 2020 have been agreed and translated into national targets in each EU Member State, reflecting different situations and circumstances. One of these targets is that for the EU as a whole there will be at least 20 million fewer people in or at-risk-of poverty and social exclusion by 2020. The integrated economic and employment guidelines, first combined in 2008, were also revised as part of the Europe 2020 strategy. Guideline 10 concerns promoting social inclusion and combating poverty.

## 6.1 Social inclusion

Social inclusion has long been a key part of the [European Union's \(EU\)](#) policies. The overriding goal is to reduce substantially the number of people at-risk-of-poverty or social exclusion, thereby creating a socially inclusive society.

However, as multi-dimensional concepts, poverty and social exclusion cannot easily be measured through statistics. As a result, both monetary and non-monetary indicators have been developed, such as the [at-risk-of-poverty rate](#), the [at-risk-of-poverty threshold](#), the [severe material deprivation rate](#) and the [share of people living in households with very low work intensity](#). Other equally relevant factors should also be considered when analysing social inclusion, for example: access to education and training, health, or housing.

### Main statistical findings

#### At-risk-of-poverty or social exclusion

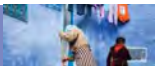
In 2009, 113.7 million people in the [EU-27](#) lived in households facing poverty or social exclusion, equivalent to 23.1% of the entire population (see [Table 6.1.1](#)); an early estimate for 2010 (data for some Member States are not available) indicates that the number rose to 115.5 million and the share to 23.4%. These overall figures for the EU-27 conceal considerable variations between Member States. In Bulgaria and Romania more than two fifths of the population was considered to be at-risk-of-poverty or social exclusion in 2009, while in Latvia the share was above one third. The share was above one quarter in 2009 in five other Member States, namely Hungary, Lithuania, Poland, Greece and Ireland; in 2010 the share in Lithuania also passed above one third. The lowest proportions of the population considered to be at-risk-of-poverty or social exclusion in 2009 were observed in the Czech Republic, the Netherlands and Sweden; Iceland and Norway also reported relatively low shares of their respective population at-risk-of-poverty or social exclusion. Comparing the developments during the years shown in [Table 6.1.1](#) there was a large fall in the proportion of the population at-risk-of-poverty

or social exclusion in Poland, Bulgaria, Slovakia, Latvia, Lithuania and Estonia, although it should be noted that several Member States introduced methodological changes in 2008 causing a break in the time series. In contrast, the percentage of the population at-risk-of-poverty or social exclusion grew most notably in Germany and Sweden.

The overall risk of facing poverty or social exclusion is made up of three types of risk: being at-risk-of-poverty; facing severe material deprivation; and/or living in a household with very low work intensity. People are considered to be at-risk-of-poverty or social exclusion if they face at least one of these risks – although around 30% of those people at-risk-of-poverty or social exclusion within the EU-27 faced a combination of two or even all three of these risks. [Figure 6.1.1](#) provides an analysis of those persons at-risk-of-poverty or social exclusion according to the types of risk that they face. In 2009, there were 48.6 million people in the EU-27 living in households that exclusively faced income poverty (but neither severe material deprivation nor very low work intensity), while a further 18.8 million persons experienced severe material deprivation (but neither of the other two risks) and a further 12.5 million people lived in households with very low work intensity (but faced neither of the other two risks). An additional 27.1 million people lived in households facing two out of three of these risks, while a further 6.7 million people lived in households where all three of these risks were present.

[Figure 6.1.2](#) provides an analysis for each of the Member States of the proportion of the population facing these risks. The analysis has been simplified compared to [Figure 6.1.1](#):

- the share of people at-risk-of-poverty includes those living in households that are exclusively at-risk-of-poverty as well as those at-risk-of-poverty combined with either or both of the other two risks;
- the analysis then shows the additional share of the population experiencing severe material deprivation (either as a single risk or combined with living in a household with very low work intensity);



- the final category shows the proportion of the population that lives in households that are exclusively characterised as having a very low work intensity (those that are not at-risk-of-poverty, nor experiencing severe material deprivation).

As such, when summing the three categories shown in Figure 6.1.2, the result corresponds to the overall proportion of the population that is at-risk-of-poverty or social exclusion.

In 2009, 16.3% of the EU-27 population was assessed to be at-risk-of-poverty, with this share ranging from 25.7% in Latvia to 8.6% in the Czech Republic. **Social protection** systems impact upon the share of the population that is considered to be at-risk-of-poverty and different groups in society are more or less vulnerable to monetary poverty (see Figure 6.1.3). More information on income and poverty is available in a subchapter on **income distribution**.

### Material deprivation and severe material deprivation

Alongside income-related measures of poverty, a broader perspective of social inclusion can be obtained by studying a range of indicators related to other measures such as material deprivation. An analysis of material deprivation provides a more absolute approach to social inclusion rather than the relative approach used for analysis of income poverty. Material deprivation is based on the affordability of a selection of items that are considered to be necessary or desirable; the analysis distinguishes between individuals who cannot afford a certain good or service, and those who do not possess this good or service for another reason, for example because they do not want or do not need it. The **material deprivation rate** is defined as those persons who cannot afford to pay for at least three out of a list of nine specific items, while those who lack four or more of these items are considered to be **severely materially deprived**. About one in every six (17.1%) members of the EU-27 population was materially deprived in 2009; just under half of these (8.1% of the total population) were considered to experience severe material deprivation. The proportion of people that were materially deprived rose to around

30% of the population in Poland, around 40% in Latvia and Hungary, and around half or more of the population in Romania and Bulgaria – these five Member States also reported that more than half of their materially deprived population experienced severe material deprivation. Less than one in ten people in Luxembourg, the Netherlands and the **Nordic Member States** were materially deprived and in these Member States the proportion of the whole population that was severely materially deprived was below 3% (see Figure 6.1.4).

### Work intensity

Being in **employment** is generally an effective way to insulate oneself from the risk of poverty. The indicator covering people living in households with a very low work intensity is defined as those people aged 0 to 59 who are living in households where the adults worked less than 20% of their total work potential during the year prior to the survey; these people are more likely to be exposed to social exclusion. In 2009, 9.0% of the EU-27 population aged less than 60 lived in households with very low work intensity. Almost one fifth (19.8%) of the population aged less than 60 in Ireland was considered to be living in a very low work intensity household (see Figure 6.1.5); this was, by far, the highest share among the Member States in 2009; double-digit shares were also recorded in the United Kingdom, Belgium, Hungary and Germany. The lowest proportions of people living in households with very low work intensity among the EU Member States were recorded in Cyprus, Slovakia, Slovenia and Estonia (less than 6% of the population); while Iceland and Switzerland recorded even lower shares.

### Data sources and availability

**EU statistics on income and living conditions (EU-SILC)** are the source of information for statistics relating to income, living conditions and social inclusion. More information on EU-SILC, the calculation of household disposable income, as well as the calculation of household size using the number of 'equivalent adults', is provided in a subchapter on **income distribution statistics**.



## Context

At the Laeken [European Council](#) in December 2001, European heads of state and government endorsed a first set of common statistical indicators relating to social exclusion and poverty that were subject to a continuing process of refinement by an indicators sub-group that is part of the social protection committee. These indicators are an essential element in the open method of coordination to monitor the progress of Member States in the fight against poverty and social exclusion. The social protection committee adopted, in May 2006, a portfolio of overarching indicators complemented by specific indicators on social inclusion, pensions and health.

A European platform against poverty is one of the seven flagship initiatives of the Europe 2020 strategy for smart, sustainable and inclusive growth adopted in 2010. The goals are to:

- ensure economic, social and territorial cohesion;
- guarantee respect for the fundamental rights of people experiencing poverty and social exclusion, and enable them to live in dignity and take an active part in society;
- mobilise support to help people integrate in the communities where they live, get training and help them to find a job and have access to social benefits.

In the context of the Europe 2020 strategy, the European Council adopted in June 2010 a headline target on social inclusion. EU-SILC is the source for this indicator concerning people at-risk-of-poverty or social exclusion which combines three sub-indicators: the at-risk-of-poverty rate, severe material deprivation rate and people living in households with very low work intensity. One of the targets set to measure progress in meeting the Europe 2020 goals is that for the EU-27 as a whole there will be at least 20 million fewer people at-risk-of-poverty or social exclusion by 2020.

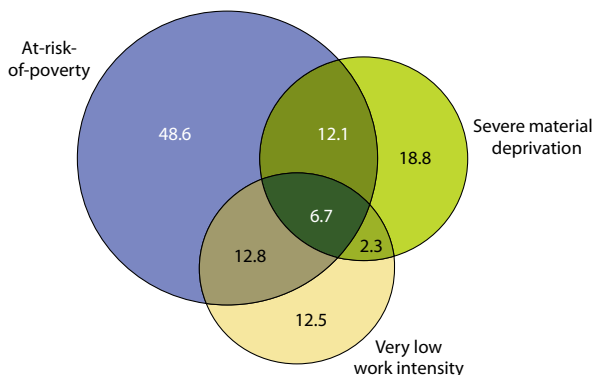
**Table 6.1.1:** Population at-risk-of-poverty or social exclusion, 2005-2010

	Percentage of the total population (%)						Number of persons (1 000)					
	2005	2006	2007	2008	2009	2010	2005	2006	2007	2008	2009	2010
<b>EU-27</b>	26.0	25.2	24.5	23.6	23.1	:	123 893	122 713	119 449	115 730	113 668	:
<b>Euro area</b>	21.4	21.7	21.7	21.4	21.2	:	67 809	69 436	69 778	69 031	68 639	:
Belgium	22.6	21.5	21.6	20.8	20.2	:	2 338	2 247	2 261	2 194	2 145	:
Bulgaria (!)	:	61.3	60.7	44.8	46.2	:	:	4 734	4 663	3 421	3 511	:
Czech Republic	19.6	18.0	15.8	15.3	14.0	14.4	1 988	1 832	1 613	1 566	1 448	1 495
Denmark	17.2	16.7	16.8	16.3	17.4	:	921	896	905	887	952	:
Germany	18.4	20.2	20.6	20.1	20.0	:	15 022	16 444	16 760	16 345	16 217	:
Estonia	25.9	22.0	22.0	21.8	23.4	21.7	347	293	293	291	312	289
Ireland	25.0	23.3	23.1	23.7	25.7	:	1 038	991	1 005	1 050	1 150	:
Greece	29.4	29.3	28.3	28.1	27.6	:	3 131	3 154	3 064	3 046	3 007	:
Spain	23.4	23.3	23.1	22.9	23.4	:	10 045	10 155	10 257	10 340	10 652	:
France (!)	18.9	18.8	19.0	18.6	18.4	:	11 127	11 184	11 382	11 237	11 155	:
Italy	25.0	25.9	26.1	25.3	24.7	:	14 621	15 256	15 433	15 099	14 835	:
Cyprus (!)	25.3	25.4	25.2	22.2	22.2	:	188	193	195	174	176	:
Latvia (!)	45.8	41.4	36.0	33.8	37.4	38.1	1 017	930	803	757	834	846
Lithuania	41.0	35.9	28.7	27.6	29.5	33.4	1 400	1 217	967	928	985	1 109
Luxembourg	17.3	16.5	15.9	15.5	17.8	:	77	74	73	72	85	:
Hungary	32.1	31.4	29.4	28.2	29.6	29.9	3 185	3 121	2 916	2 794	2 924	2 948
Malta	20.6	19.0	19.1	19.5	20.2	:	82	76	77	79	82	:
Netherlands	16.7	16.0	15.7	14.9	15.1	:	2 705	2 603	2 558	2 432	2 483	:
Austria	16.8	17.8	16.7	18.6	17.0	16.6	1 369	1 454	1 376	1 532	1 406	1 373
Poland (!)	45.3	39.5	34.4	30.5	27.8	:	17 080	14 938	12 958	11 491	10 454	:
Portugal	26.1	25.0	25.0	26.0	24.9	:	2 745	2 640	2 653	2 757	2 648	:
Romania	:	:	45.9	44.2	43.1	:	:	:	9 904	9 418	9 112	:
Slovenia	18.5	17.1	17.1	18.5	17.1	:	362	343	335	361	339	:
Slovakia	32.0	26.7	21.3	20.6	19.6	:	1 724	1 439	1 150	1 111	1 061	:
Finland	17.2	17.2	17.4	17.4	16.9	16.9	886	891	907	910	886	890
Sweden	14.4	16.3	13.9	14.9	15.9	:	1 325	1 489	1 264	1 367	1 459	:
United Kingdom	24.8	23.8	22.9	23.2	21.9	:	14 530	14 215	13 676	14 069	13 351	:
Iceland	12.7	12.5	12.5	11.8	11.6	13.8	36	36	37	36	36	42
Norway	16.2	16.3	17.0	15.0	15.2	:	746	752	795	707	731	:
Switzerland	:	:	:	18.6	17.2	:	:	:	:	1 372	1 288	:
Turkey	:	72.4	:	:	:	:	:	48 934	:	:	:	:

(!) Break in series, 2008.

Source: Eurostat (online data code: [ilc\\_peps01](#))

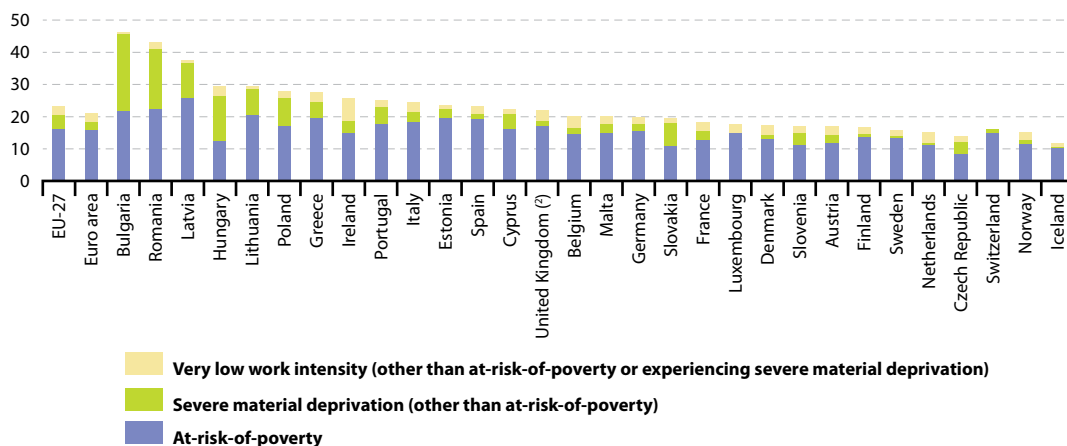
**Figure 6.1.1:** Number of persons at-risk-of-poverty or social exclusion analysed by type of risks, EU-27, 2009 <sup>(1)</sup> (million)



<sup>(1)</sup> The sum of the data for the seven groups at-risk-of-poverty or social exclusion differs slightly from the total (published elsewhere) due to rounding.

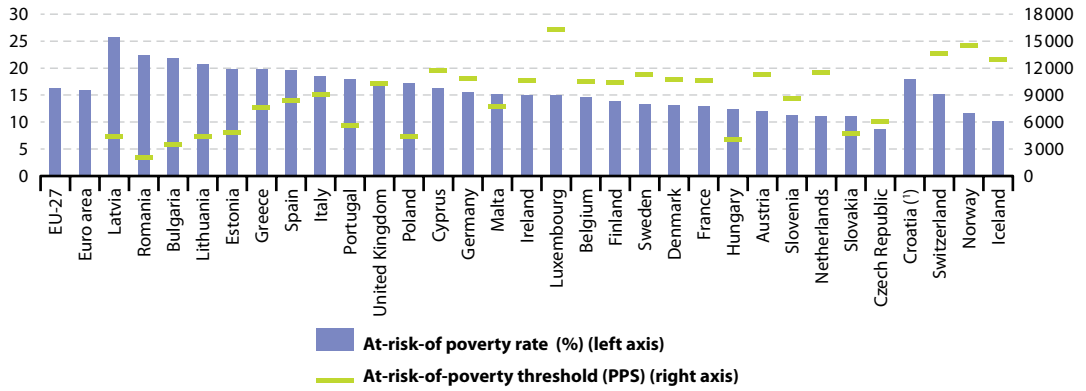
Source: Eurostat (online data code: [ilc\\_pees01](#))

**Figure 6.1.2:** Proportion of the population at-risk-of-poverty or social exclusion, 2009 <sup>(1)</sup> (%)



<sup>(1)</sup> The sum of the data for the three groups at risk of poverty or social exclusion may differ slightly from the total (published elsewhere) due to rounding.  
<sup>(2)</sup> Data for severe material deprivation are not fully reliable given the high rate of missing values in some deprivation items.

Source: Eurostat (online data codes: [ilc\\_pees01](#) and [ilc\\_li02](#))

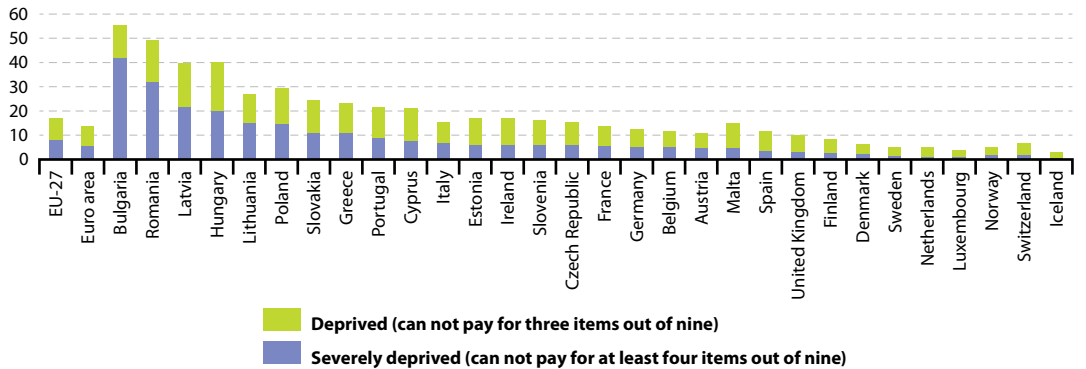

**Figure 6.1.3: At-risk-of-poverty rate and threshold, 2009**


(¹) At-risk-of-poverty threshold, not available.

Source: Eurostat (online data codes: [ilc\\_li01](#) and [ilc\\_li02](#))

**Figure 6.1.4: Material deprivation rate – proportion of persons who cannot afford to pay for selected items, 2009 (¹)**

(%)



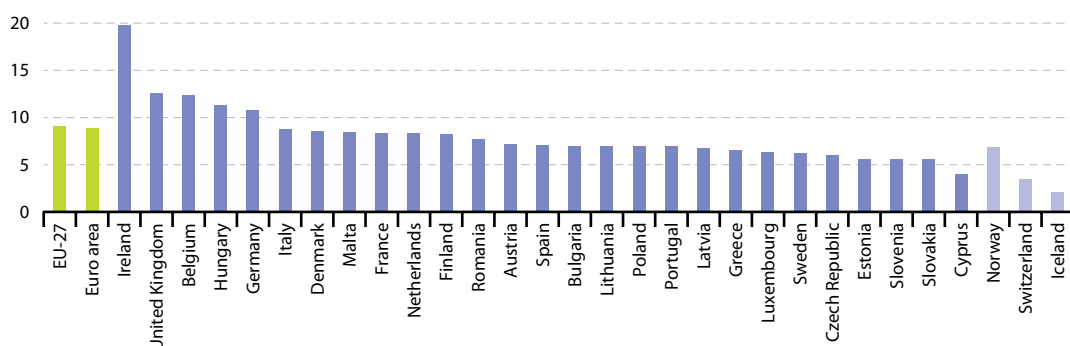
(¹) Ranked on severely deprived.

Source: Eurostat (online data code: [ilc\\_sip8](#))





**Figure 6.1.5:** People aged less than 60 living in households with very low work intensity, 2009 (%)



Source: Eurostat (online data code: [ilc\\_lvhl11](#))

## 6.2 Income distribution

This subchapter analyses recent statistics on monetary poverty and income inequalities in the [European Union \(EU\)](#). Favourable living conditions depend on a wide range of factors, which may be divided into those that are income-related and those that are not. Income distribution within a country provides a picture of inequalities: on the one hand, inequalities may create incentives for people to improve their situation through work, [innovation](#) or acquiring new skills, while on the other, crime, poverty and social exclusion are often seen as being linked to such income inequalities.

### Main statistical findings

#### At-risk-of-poverty rate and threshold

In 2009, 16.3% of the [EU-27](#) population was assessed to be [at-risk-of-poverty](#) (see Figure 6.2.1). This share, calculated as a weighted average of national results, conceals considerable variations between countries. In four of the EU Member States, namely Latvia (25.7%), Romania (22.4%), Bulgaria (21.8%) and Lithuania (20.6%), more than one fifth of the population was assessed to be at-risk-of-poverty. The lowest proportions of persons at-risk-of-poverty were observed in the Czech Republic (8.6%), Slovakia (11.0%), the

Netherlands (11.1%) and Slovenia (11.3%); Iceland (10.2%) and Norway (11.7%) also reported relatively low shares of their respective populations at-risk-of-poverty.

The [at-risk-of-poverty threshold](#) (also shown in Figure 6.2.1) is set at 60% of the national [median equivalised disposable income](#). It is often expressed in [purchasing power standards \(PPS\)](#) in order to take account of the differences in the cost of living across countries. It varied greatly in 2009 across the Member States from PPS 2 066 in Romania and PPS 3 452 in Bulgaria to a level between PPS 11 000 and PPS 12 000 in four Member States (Sweden, Austria, the Netherlands and Cyprus), peaking in Luxembourg above this range at PPS 16 226; the poverty threshold was also relatively high in Iceland, Norway and Switzerland (above PPS 12 000 in each of these countries).

In general, the at-risk-of-poverty rate (after [social transfers](#)) is stable from one year to the next (see Table 6.2.1). Between 2008 and 2009, the minor exceptions to this rule were Luxembourg (with an increase of 1.5 percentage points from 13.4% in 2008 to 14.9% in 2009) and the United Kingdom (with a reduction of 1.5 percentage points from 18.7% in 2008 to 17.2% in 2009).



Different groups in society are more or less vulnerable to monetary poverty. There was a relatively small difference in the at-risk-of-poverty rate (after social transfers) between men and women in the EU-27 in 2009 (15.4% compared with 17.1% respectively). However, the differences were more notable when the population was classified according to activity status (see Table 6.2.2). The **unemployed** are a particularly vulnerable group: almost half (45.3%) of the unemployed were at-risk-of-poverty in the EU-27 in 2009, with the highest rates in Germany (62.0%), Latvia (56.7%) and Estonia (55.1%), while four other Member States reported that more than half of the unemployed were at-risk-of-poverty. About one in six of all retired persons in the EU-27 (15.4%) were at-risk-of-poverty in 2009; rates were much higher in Latvia, Cyprus, Estonia and Bulgaria – with more than one third of the retired population at-risk-of-poverty. Those in employment were far less likely to be at-risk-of-poverty (8.4% in the EU-27), although there were relatively high rates in Romania (17.6%) and Greece (13.8%).

**Social protection** measures can be used as a means for reducing poverty and social exclusion. This may be achieved, for example, through the distribution of benefits. One way of evaluating the success of social protection measures is to compare at-risk-of-poverty indicators before and after social transfers (see Figure 6.2.2). In 2009, social transfers reduced the at-risk-of-poverty rate among the population of the EU-27 from 25.1% before transfers to 16.3% after transfers, thereby lifting 35% of persons that would otherwise be at-risk-of-poverty above the poverty threshold. In relative terms, the impact of social benefits was lowest in Greece, Latvia, Bulgaria, Spain and Italy. In contrast, at least half of all persons who were at-risk-of-poverty in Ireland, Denmark, Hungary, the Czech Republic, Austria and Sweden moved above the threshold as a result of **social transfers**; this was also the case in Norway.

### Income inequalities

Governments, policymakers and society in general cannot combat poverty and social exclusion without analysing inequalities within society, whether they are economic in nature or social. Data on economic inequality becomes particularly important

for estimating relative poverty, because the distribution of economic resources may have a direct bearing on the extent and depth of poverty (see Figure 6.2.3). There were wide **inequalities in the distribution of income** among the population of the EU-27 in 2009: the 20% of the population with the highest equivalised disposable income received 4.9 times as much income as the 20% of the population with the lowest equivalised disposable income. This ratio varied considerably across the Member States, from 3.2 in Slovenia, 3.5 in both the Czech Republic and Hungary, to 5.8 in Greece, 5.9 in Bulgaria, 6.0 in both Spain and Portugal, 6.3 in Lithuania, 6.7 in Romania, peaking at 7.3 in Latvia.

There is policy interest in the inequalities felt by many different groups in society. One group of particular interest is that of the elderly, in part reflecting the growing proportion of the EU's population aged over 65 years. Pension systems can play an important role in addressing poverty amongst the elderly. In this respect, it is interesting to compare the **incomes of the elderly with the rest of the population**. Across the EU-27 as a whole, people aged 65 and more had a median income which in 2009 was around 86% of the median income for the population under the age of 65 (see Figure 6.2.4). Hungary and Luxembourg were the only Member States where the income of the elderly was higher than the income of persons under 65. In France, Romania, Poland and Austria the median income of the elderly was more than 90% of that recorded for people under 65; this was also the case in Iceland. In contrast, the elderly in Latvia and Cyprus had median incomes that were less than 60% of those recorded for people under 65, with shares between 60% and 70% in Bulgaria and Estonia; these relatively low proportions may broadly reflect pension entitlements.

The depth of poverty, which helps to quantify just how poor the poor are, can be measured by the **relative median at-risk-of-poverty gap**. The median income of persons at-risk-of-poverty in the EU-27 was an average 22.4% below the 60% poverty threshold in 2009. Among the countries shown in Figure 6.2.5, the at-risk-of-poverty gap was widest in Romania (32.0%), Latvia (28.9%), Spain (27.7%) and Bulgaria (27.4%), but also relatively wide in

Greece (24.1 %) and Portugal (23.6 %). The lowest gap among the Member States was observed in Finland (15.1 %), followed by Ireland and Malta (both 16.2 %), Hungary (16.3 %) and the Netherlands (16.5 %); there was also a relatively low gap in Iceland (16.4 %).

## Data sources and availability

EU statistics on income and living conditions (EU-SILC) were launched in 2003 on the basis of a gentlemen's agreement between Eurostat, six Member States (Austria, Belgium, Denmark, Greece, Ireland, Luxembourg) and Norway. It was formally launched in 2004 in 15 countries and expanded in 2005 to cover all of the then EU-25 Member States, together with Iceland and Norway. Bulgaria launched EU-SILC in 2006, while Romania, Switzerland and Turkey introduced the survey in 2007. Data for Croatia are based on a different data source – namely the household budget survey (HBS).

EU-SILC comprises both a cross-sectional dimension and a longitudinal dimension. Comparisons of standards of living between countries are frequently based on gross domestic product (GDP) per capita. However, such figures say little about the distribution of income within a country; this subchapter provides information on the distribution of income and relative poverty.

Household disposable income is established by summing up all monetary incomes received from any source by each member of the household (including income from work, investment and social benefits) – plus income received at the household level – and deducting taxes and social contributions paid. In order to reflect differences in household size and composition, this total is divided by the number of 'equivalent adults' using a standard (equivalence) scale, the so-called 'modified OECD' scale, which attributes a weight of 1 to the first adult in the household, a weight of 0.5 to each subsequent member of the household aged 14 and over, and a weight of 0.3 to household members aged less than 14. The resulting figure is called equivalised disposable income and is attributed to each member of the household. For the purpose of poverty indicators, the equivalised disposable income is calculated

from the total disposable income of each household divided by the equivalised household size; consequently, each person in the household is considered to have the same equivalised income.

The income reference period is a fixed 12-month period (such as the previous calendar or tax year) for all countries except the United Kingdom for which the income reference period is the current year of the survey and Ireland for which the survey is continuous and income is collected for the 12 months prior to the survey.

The at-risk-of-poverty rate is defined as the share of people with an equivalised disposable income that is below the at-risk-of-poverty threshold (expressed in purchasing power standards – PPS), set at 60 % of the national median equivalised disposable income. This rate may be expressed before or after social transfers, with the difference measuring the hypothetical impact of national social transfers in reducing poverty risk. Retirement and survivors' pensions are counted as income before transfers and not as social transfers. Various analyses of this indicator are available, for example by age, sex, activity status, household type, or education level. It should be noted that the indicator does not measure wealth but is instead a measure of low current income (in comparison with other people in the same country), which does not necessarily imply a low standard of living. The EU-27 aggregate is a population-weighted average of individual national figures. In line with decisions of the European Council, the at-risk-of-poverty rate is measured relative to the situation in each country rather than applying a common threshold to all countries.

## Context

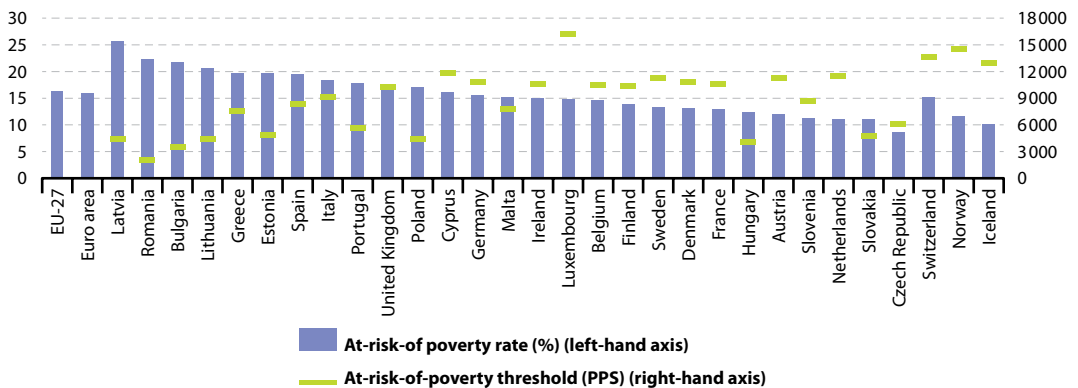
At the Laeken European Council in December 2001, European heads of state and government endorsed a first set of common statistical indicators for social exclusion and poverty that are subject to a continuing process of refinement by the indicators sub-group (ISG) of the social protection committee (SPC). These indicators are an essential element in the open method of coordination to monitor the progress made by the EU's Member States in alleviating poverty and social exclusion.



EU-SILC was implemented in order to provide underlying data for these indicators. Organised under framework Regulation 1177/2003, EU-SILC is now the reference source for statistics on income and living conditions and, in particular, for indicators concerning social inclusion. In the context of the Europe 2020 strategy, the European Council adopted in June 2010 a headline target for social inclusion – namely,

that by 2020 there should be at least 20 million fewer people in the EU who are at-risk-of-poverty or social exclusion. EU-SILC is the source used to monitor progress towards this headline target, which is measured through indicator that is combines of the at-risk-of-poverty rate, the severe material deprivation rate, and the proportion of people living in households with very low work intensity.

**Figure 6.2.1: At-risk-of-poverty rate and threshold, 2009**



Source: Eurostat (online data codes: [ilc\\_li01](#) and [ilc\\_li02](#))

**Table 6.2.1:** At-risk-of-poverty rate after social transfers, 2007-2009  
(%)

	Total			Male			Female		
	2007	2008	2009	2007	2008	2009	2007	2008	2009
<b>EU-27</b>	16.7	16.4	16.3	15.9	15.5	15.4	17.5	17.4	17.1
<b>Euro area</b>	16.1	15.8	15.9	15.1	14.8	14.9	17.1	16.8	16.8
Belgium	15.2	14.7	14.6	14.4	13.6	13.4	15.9	15.9	15.7
Bulgaria	22.0	21.4	21.8	20.9	19.8	19.8	23.0	22.9	23.7
Czech Republic	9.6	9.0	8.6	8.7	8.0	7.5	10.5	10.1	9.5
Denmark	11.7	11.8	13.1	11.3	11.7	13.0	12.0	12.0	13.3
Germany	15.2	15.2	15.5	14.1	14.2	14.7	16.3	16.2	16.3
Estonia	19.4	19.5	19.7	16.7	16.5	17.5	21.7	22.0	21.6
Ireland	17.2	15.5	15.0	16.0	14.5	14.9	18.5	16.4	15.1
Greece	20.3	20.1	19.7	19.6	19.6	19.1	20.9	20.7	20.2
Spain	19.7	19.6	19.5	18.5	18.3	18.3	20.9	21.0	20.6
France <sup>(1)</sup>	13.1	12.7	12.9	12.8	11.9	12.0	13.4	13.4	13.7
Italy	19.9	18.7	18.4	18.4	17.1	17.0	21.3	20.1	19.8
Cyprus	15.5	16.2	16.2	13.5	14.0	14.4	17.4	18.3	17.9
Latvia	21.2	25.6	25.7	19.3	23.1	24.2	22.7	27.7	27.0
Lithuania	19.1	20.0	20.6	16.7	17.6	19.1	21.2	22.0	21.9
Luxembourg	13.5	13.4	14.9	12.9	12.5	13.8	14.1	14.3	16.0
Hungary	12.3	12.4	12.4	12.3	12.4	12.8	12.3	12.4	12.1
Malta	14.3	14.6	15.1	13.8	13.7	14.7	14.9	15.5	15.6
Netherlands	10.2	10.5	11.1	9.6	10.5	10.8	10.7	10.4	11.3
Austria	12.0	12.4	12.0	10.6	11.2	10.7	13.3	13.5	13.2
Poland	17.3	16.9	17.1	17.6	17.0	16.9	17.1	16.7	17.4
Portugal	18.1	18.5	17.9	17.2	17.9	17.3	19.0	19.1	18.4
Romania <sup>(2)</sup>	24.8	23.4	22.4	24.3	22.4	21.4	25.3	24.3	23.4
Slovenia	11.5	12.3	11.3	10.0	11.0	9.8	12.9	13.6	12.8
Slovakia	10.5	10.9	11.0	9.8	10.1	10.1	11.2	11.5	11.8
Finland	13.0	13.6	13.8	12.1	12.7	12.9	13.8	14.5	14.7
Sweden	10.5	12.2	13.3	10.5	11.3	12.0	10.6	13.0	14.5
United Kingdom	18.6	18.7	17.2	17.6	17.4	16.8	19.6	20.0	17.9
Iceland	10.1	10.1	10.2	9.1	9.5	9.3	11.0	10.7	11.1
Norway	12.4	11.4	11.7	10.6	9.9	10.1	14.1	12.9	13.2
Switzerland	:	16.2	15.1	:	14.5	13.5	:	18.0	16.7
Croatia	18.0	17.3	17.9	16.0	15.4	16.0	19.0	19.0	19.7

<sup>(1)</sup> Break in series, 2008.

<sup>(2)</sup> Break in series, 2007.

Source: Eurostat (online data code: [ilc\\_li02](#))



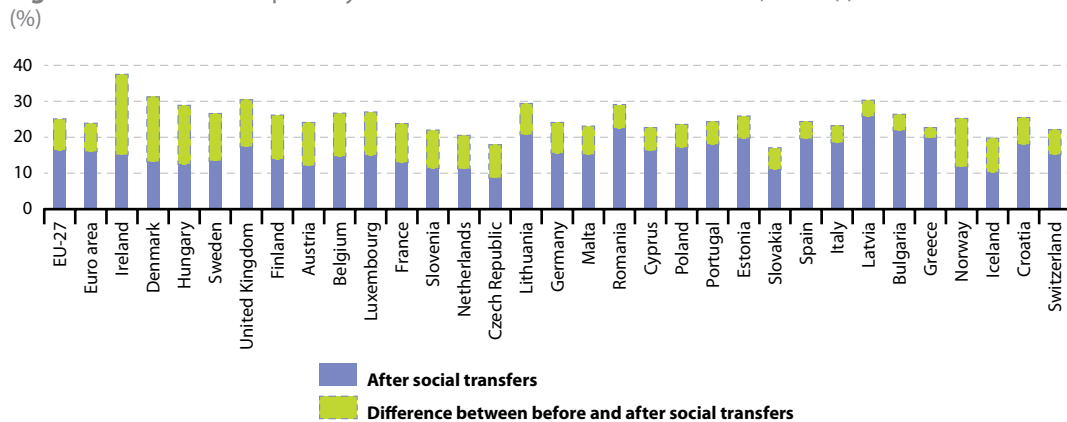
**Table 6.2.2:** At-risk-of-poverty rate after social transfers by most frequent activity status, 2009 <sup>(1)</sup> (%)

	<b>Total population</b>	<b>Persons employed</b>	<b>Not employed</b>	<b>Unemployed</b>	<b>Retired</b>	<b>Inactive population, others</b>
<b>EU-27</b>	15.2	8.4	23.0	45.3	15.4	26.9
<b>Euro area</b>	14.9	8.1	22.5	44.7	13.8	26.5
Belgium	14.0	4.6	23.9	33.4	17.8	26.7
Bulgaria	21.1	7.4	36.9	52.2	36.5	24.0
Czech Republic	7.4	3.1	12.9	46.9	7.1	13.0
Denmark	13.4	5.9	24.3	41.1	18.6	31.1
Germany	14.9	6.8	23.9	62.0	14.9	25.4
Estonia	19.5	8.1	36.5	55.1	37.9	30.0
Ireland	13.8	5.3	22.5	28.1	15.5	23.3
Greece	18.8	13.8	23.9	38.1	18.4	26.5
Spain	18.8	11.4	27.5	38.4	19.3	29.0
France	11.4	6.7	16.9	37.7	8.7	26.6
Italy	17.1	10.2	23.4	40.8	13.7	27.4
Cyprus	17.2	7.0	32.3	32.8	47.8	20.1
Latvia	25.4	11.1	46.4	56.7	51.2	31.9
Lithuania	19.8	10.4	32.7	54.3	27.6	33.5
Luxembourg	12.7	10.0	16.1	45.3	5.5	19.6
Hungary	10.2	6.2	14.0	47.3	4.0	18.9
Malta	13.8	6.0	20.9	33.9	19.2	20.4
Netherlands	9.6	5.0	16.0	41.7	6.7	22.3
Austria	11.6	5.9	18.7	38.0	14.2	21.0
Poland	15.9	11.0	21.2	42.1	12.3	26.8
Portugal	16.7	10.3	24.4	37.0	17.4	29.9
Romania	19.8	17.6	22.3	46.4	15.7	30.7
Slovenia	10.9	4.8	18.2	43.6	17.4	10.9
Slovakia	9.6	5.2	15.2	48.6	8.9	15.9
Finland	14.1	3.7	27.2	51.4	21.7	31.2
Sweden	13.3	6.9	23.6	39.0	17.6	33.4
United Kingdom	16.1	6.7	28.7	50.9	24.0	32.0
Iceland	9.9	7.7	17.4	29.3	14.8	18.5
Norway	11.5	5.6	22.7	38.8	13.0	31.9
Switzerland	14.6	8.3	27.3	39.7	29.6	22.0
Croatia	17.8	7.6	26.6	37.2	24.2	26.5

<sup>(1)</sup> For persons aged 18 or over.

Source: Eurostat (online data code: [ilc\\_li04](#))

**Figure 6.2.2:** At-risk-of-poverty rate before and after social transfers, 2009 <sup>(1)</sup>

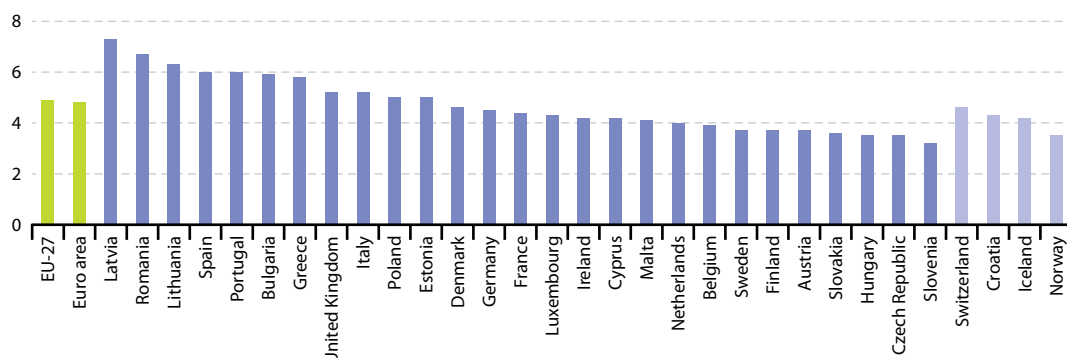


<sup>(1)</sup> Ranked on the difference between before and after social transfers.

Source: Eurostat (online data codes: [ilc\\_li02](#) and [ilc\\_li10](#))

**Figure 6.2.3:** Inequality of income distribution, 2009

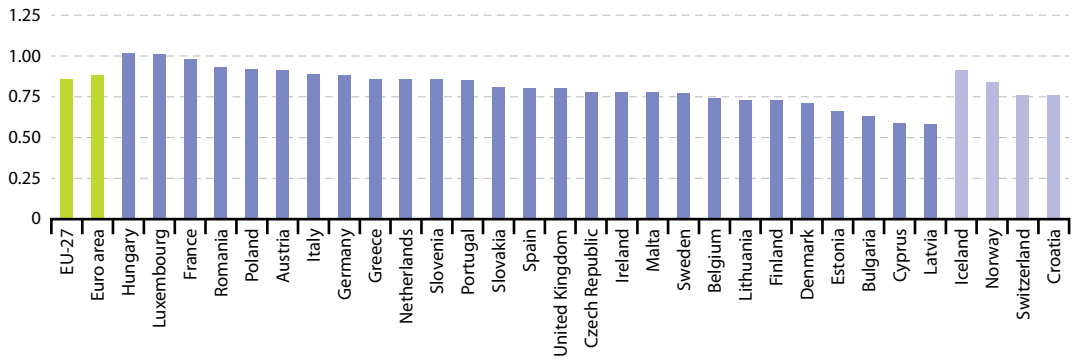
(income quintile share ratio)



Source: Eurostat (online data code: [ilc\\_di11](#))

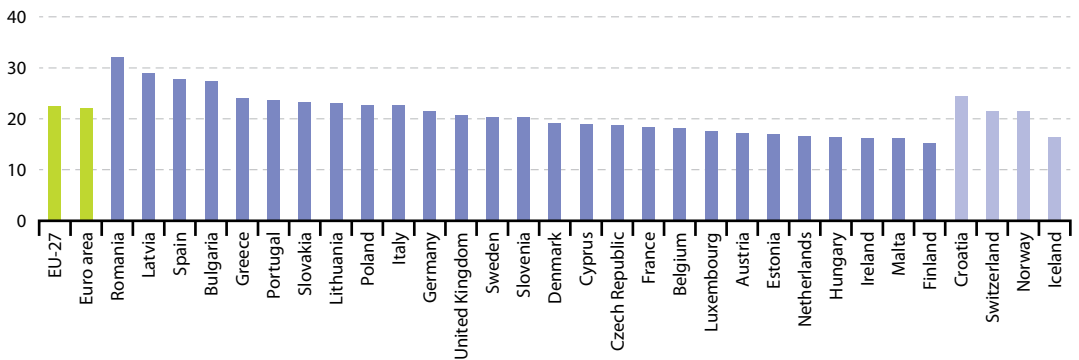


**Figure 6.2.4:** Relative median income ratio, 2009  
(ratio)



Source: Eurostat (online data code: [ilc\\_pnp2](#))

**Figure 6.2.5:** Relative median at-risk-of-poverty gap, 2009  
(%)



Source: Eurostat (online data code: [ilc\\_li11](#))



## 6.3 Housing

Decent housing, at an affordable price in a safe environment, is a fundamental need and right. Ensuring this need, which is likely to alleviate poverty and social exclusion, is still a significant challenge in a number of European countries.

This subchapter provides information in relation to recent statistics on housing in the [European Union \(EU\)](#), focusing on [dwelling](#) types, tenure status (owning versus renting), housing quality and affordability.

### Main statistical findings

#### Type of dwelling

In 2009, 41.8% of the [EU-27](#) population lived in flats, 34.4% in detached houses and 23.0% in semi-detached houses. The share of persons living in flats was highest in Latvia (66.2%), Estonia (65.1%) and Spain (64.6%). The share of people living in detached houses peaked in Slovenia (68.7%), Hungary (67.6%), Romania (60.7%) and Denmark (58.4%); Norway also reported a high share (62.4%) of persons living in detached houses. The highest propensity to live in semi-detached houses was reported in the Netherlands (61.4%), the United Kingdom (60.9%) and Ireland (57.6%) – see Figure 6.3.1.

#### Tenure status

In 2009, over one quarter (27.1%) of the EU-27 population lived in an owner-occupied home for which there was an outstanding loan or mortgage, while close to half (46.5%) of the population lived in an owner-occupied home without a loan or mortgage. As such, a total of nearly three quarters (73.6%) of the population lived in owner-occupied dwellings, while 13.0% lived in dwellings with a market price rent, and 13.5% in reduced-rent or free accommodation.

At least half of the population in each of the EU Member States (see Figure 6.3.2 – data for Germany not available) lived in owner-occupied dwellings in 2009; the share ranged from 57.5% in

Austria to 96.5% in Romania. In the Netherlands (59.2%), Sweden (56.8%) and Denmark (52.8%) more than half of the population lived in owner-occupied dwellings with an outstanding loan or mortgage; this was also the case in Iceland (70.6%) and Norway (61.3%).

The share of persons living in rented dwellings with a market price rent in 2009 was less than 10% in 12 of the EU Member States, as well as in Iceland. In Denmark, the Netherlands, Sweden and Austria more than one quarter of the population lived in rented dwellings with a market price rent. The share of the population living in a dwelling with a reduced price rent or occupying a dwelling free of charge was less than 20% in all of the Member States except for Poland where this type of housing was lived in by 29.1% of the population.

#### Housing quality

One of the key dimensions in assessing the quality of housing conditions is the availability of sufficient space in the dwelling. The [overcrowding rate](#) describes the proportion of people living in an overcrowded dwelling, as defined by the number of rooms available to the [household](#), the household's size, as well as its members' ages and family situation.

Some 17.7% of the EU-27 population lived in overcrowded dwellings in 2009 (see Figure 6.3.3); the highest overcrowding rates were registered in Latvia (57.7%), Romania (55.3%), Poland (49.1%) and Lithuania (49.0%). In contrast, Cyprus (1.0%) and the Netherlands (1.7%) recorded the lowest rates of overcrowding.

Within the population [at-risk-of-poverty](#) (in other words, people living in households where equivalised disposable income per person was below 60% of the national median), the overcrowding rate in the EU-27 was 30.0% in 2009, some 12.3 percentage points above the rate for the whole population. The highest overcrowding rates among the population at-risk-of-poverty were registered in Hungary (68.8%), Poland (64.9%) and Romania (64.8%),



while the overcrowding rate for those at-risk-of-poverty was below 6 % (see Figure 6.3.3) in Cyprus (2.7%), Spain (5.1%), the Netherlands (5.5%) and Malta (5.6%).

In addition to overcrowding, some aspects of housing deprivation – such as the lack of a bath or a toilet, a leaking roof in the dwelling, or a dwelling considered as being too dark – are taken into account to build a more complete indicator of housing quality. The **severe housing deprivation rate** is defined as the proportion of persons living in a dwelling which is considered as overcrowded, while having at the same time at least one of these housing deprivation measures.

Across the EU-27 as a whole, some 5.9% of the population suffered from severe housing deprivation in 2009 (see Figure 6.3.4). In Poland, Lithuania, Slovenia, Bulgaria and Latvia more than 15% of the population faced severe housing deprivation in 2009, rising to a high of 28.6% in Romania. In contrast, less than 1% of the population in Finland, the Netherlands and Cyprus lived in conditions which could be qualified as severe housing deprivation.

### Housing affordability

In 2009, 12.1% of the EU-27 population lived in households that spent **40% or more of their equivalised disposable income on housing** (see Table 6.3.1). The proportion of the population whose housing costs exceeded 40% of their **equivalised disposable income** was highest for tenants with market price rents (25.6%) and lowest for persons in owner-occupied dwellings without a loan or mortgage (5.8%).

The EU-27 average masks significant differences between Member States: at one extreme there were a number of Member States where a relatively small proportion of the population lived in households that had housing costs in excess of 40% of their disposable income, notably Cyprus (2.4%), France (3.4%), Malta (3.5%), Luxembourg (3.7%), Slovenia

(3.9%), Ireland (4.0%), Estonia and Finland (both 4.4%). At the other extreme, almost one quarter of the population in Denmark (24.4%) and Greece (22.1%) spent more than 40% of their equivalised disposable income on housing, well above the next highest shares recorded in the United Kingdom (16.3%) and Romania (15.5%).

### Data sources and availability

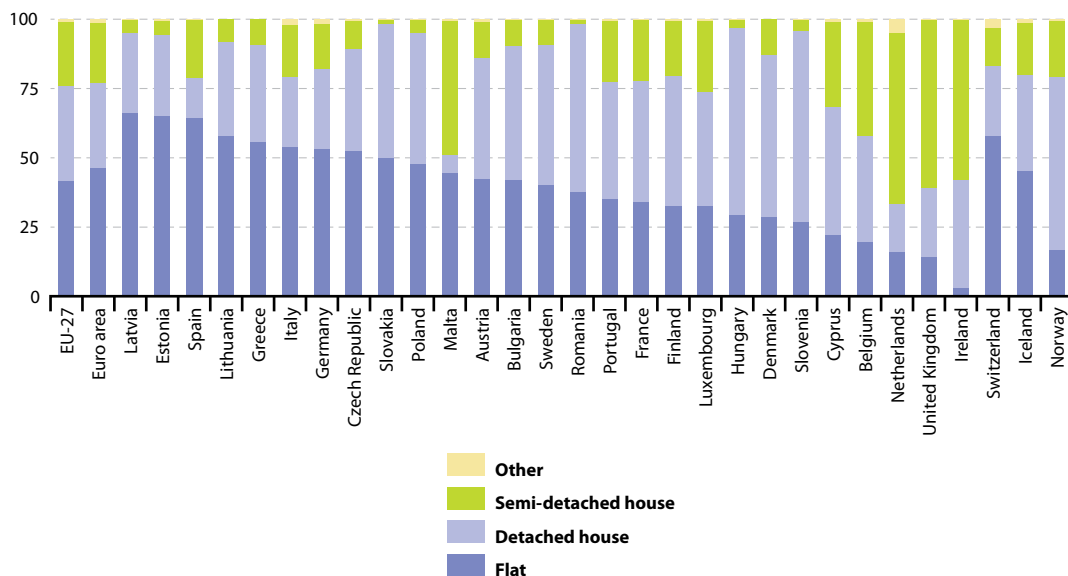
The data used in this section are primarily derived from micro-data from **EU statistics on income and living conditions (EU-SILC)**. The reference population is all **private households** and their current members residing in the territory of the Member State at the time of data collection; persons living in **collective households** and in institutions are generally excluded from the target population. The EU-27 aggregate is a population-weighted average of individual national figures.

### Context

Questions of social housing, homelessness or integration play an important role within the EU's social policy agenda. The charter of fundamental rights stipulates in Article II-94 that 'in order to combat social exclusion and poverty, the Union recognises and respects the right to social and housing assistance so as to ensure a decent existence for all those who lack sufficient resources, in accordance with Community law and national laws and practices'.

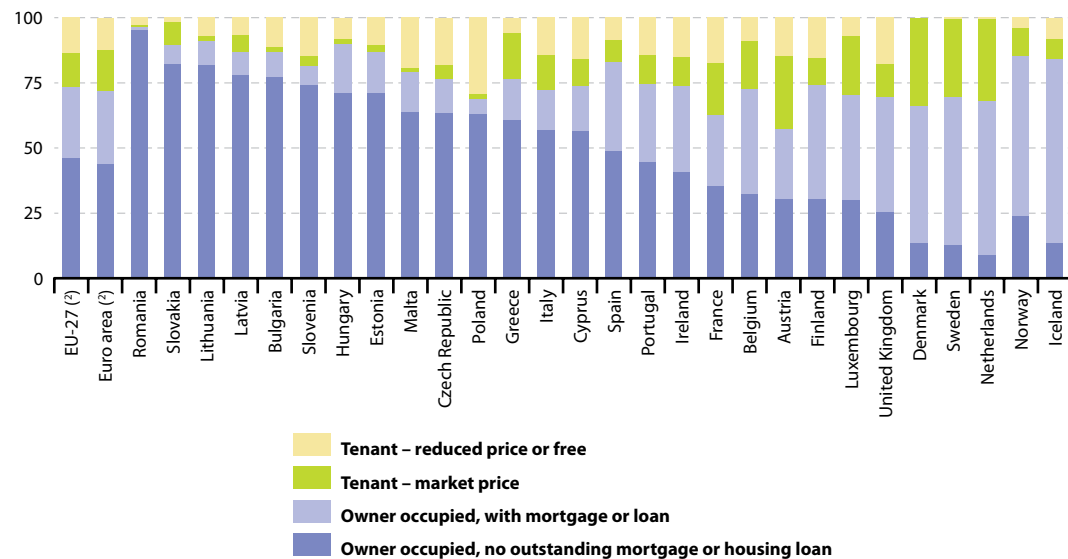
However, the EU does not have any responsibilities in respect of housing; rather, national governments develop their own housing policies. Many countries face similar challenges: for example, how to renew housing stocks, how to plan and combat urban sprawl, how to promote **sustainable development**, how to help young and disadvantaged groups to get onto the housing market, or how to promote energy efficiency among house owners.

**Figure 6.3.1:** Distribution of population by dwelling type, 2009  
(% of population)



Source: Eurostat (online data code: [ilc\\_lvho01](#))

**Figure 6.3.2:** Population by tenure status, 2009 <sup>(1)</sup>  
(% of population)



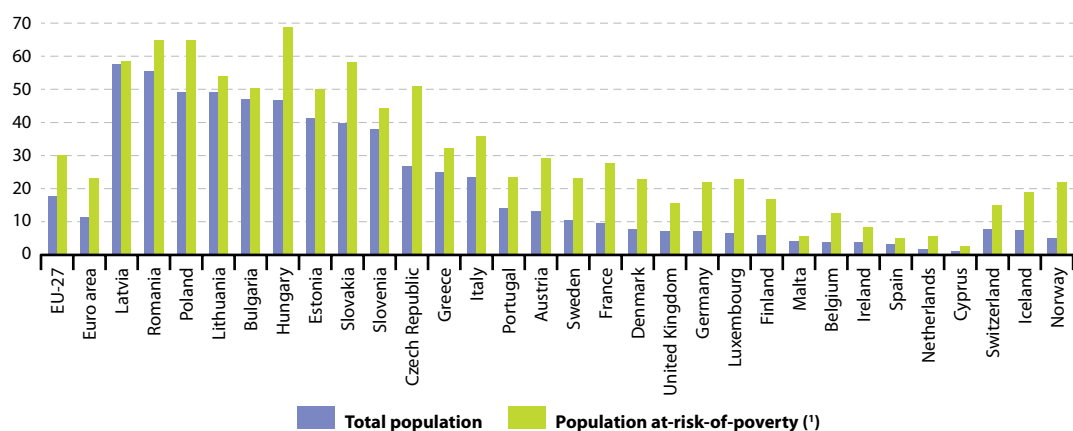
<sup>(1)</sup> Germany, not available.

<sup>(2)</sup> Estimates.

Source: Eurostat (online data code: [ilc\\_lvho02](#))



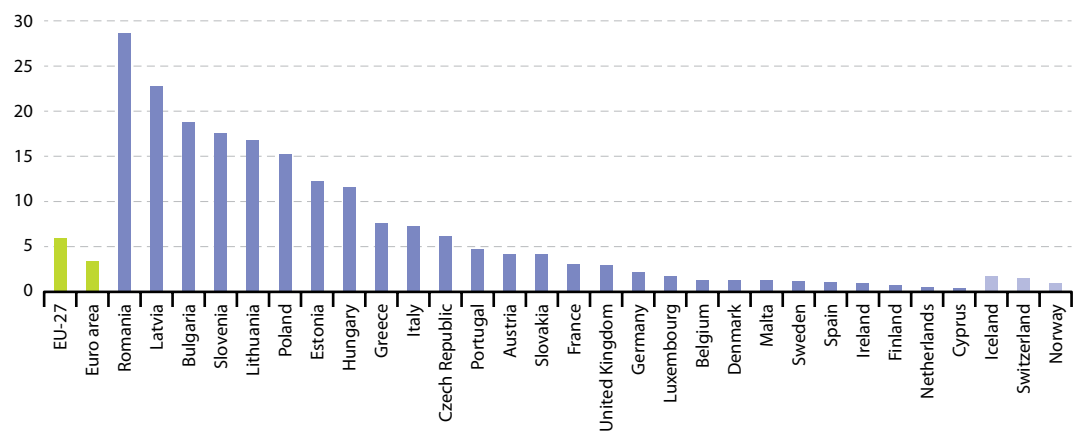
**Figure 6.3.3: Overcrowding rate, 2009**  
(% of specified population)



(<sup>1</sup>) Population below 60 % of median equivalised income.

Source: Eurostat (online data code: [ilc\\_lvh05a](#))

**Figure 6.3.4: Severe housing deprivation, 2009**  
(% of population)



Source: Eurostat (online data code: [ilc\\_mdho06a](#))

**Table 6.3.1:** Housing cost overburden rate by tenure status, 2009  
(% of population)

	Total population	Owner occupied, with mortgage or loan	Owner occupied, no outstanding mortgage or housing loan	Tenant – market price	Tenant – reduced price or free
<b>EU-27</b>	12.1	8.8	5.7	25.5	11.7
<b>Euro area</b>	11.8	7.8	3.1	22.4	7.1
Belgium	8.7	2.5	2.9	30.6	12.7
Bulgaria	7.2	3.6	6.3	38.1	11.4
Czech Republic	8.9	10.1	6.0	23.2	14.0
Denmark	24.4	23.1	16.8	29.7	:
Germany	:	:	:	:	:
Estonia	4.4	11.5	1.9	20.9	6.3
Ireland	4.0	2.3	1.2	21.9	1.8
Greece	22.1	10.5	13.6	67.0	3.6
Spain	10.9	14.7	3.3	40.6	10.3
France	3.4	1.2	0.5	10.0	4.9
Italy	7.5	7.7	2.6	27.4	8.9
Cyprus	2.4	2.4	0.2	17.2	0.4
Latvia	8.6	14.6	7.2	14.1	11.9
Lithuania	5.5	12.2	3.9	23.4	10.9
Luxembourg	3.7	0.8	0.2	13.3	4.6
Hungary	8.9	16.4	5.2	44.0	14.5
Malta	3.5	4.6	2.7	36.5	2.9
Netherlands	13.1	12.2	4.5	17.6	5.9
Austria	5.1	1.2	1.4	12.4	6.4
Poland	8.2	6.0	7.4	32.8	8.7
Portugal	6.3	8.2	2.3	19.6	4.7
Romania	15.5	8.9	14.9	56.5	26.8
Slovenia	3.9	9.2	2.6	13.1	5.3
Slovakia	9.4	32.3	7.0	13.4	9.6
Finland	4.4	3.2	2.2	11.4	7.4
Sweden	9.6	3.9	9.7	20.1	28.9
United Kingdom	16.3	10.2	8.3	40.7	26.3
Iceland	8.5	9.0	4.9	13.3	5.8
Norway	10.9	9.7	5.8	28.2	14.6
Switzerland	12.6	7.8	:	17.0	11.9

Source: Eurostat (online data codes: [ilc\\_lvho07c](#) and [ilc\\_lvho07a](#))



## 6.4 Social protection

This subchapter analyses recent statistics on social protection in the [European Union \(EU\)](#). [Social protection](#) encompasses all interventions from public or private bodies intended to relieve [households](#) and individuals of the burden of a defined set of risks or needs, provided that there is neither a simultaneous reciprocal nor an individual arrangement involved.

### Main statistical findings

[Social protection expenditure](#) in the EU-27 was equivalent to 26.4% of [gross domestic product \(GDP\)](#) in 2008 (see Table 6.4.1). Among the EU Member States, the level of social protection expenditure in relation to GDP was highest in France (30.8%), Denmark (29.7%) and Sweden (29.4%), and was higher than 25% of GDP in ten of the EU-15 Member States. In contrast, social protection expenditure represented less than 20% of GDP in all of the [Member States that joined the EU in 2004 or 2007](#) with the exceptions of Slovenia and Hungary.

The use of a [purchasing power standard \(PPS\)](#) allows a comparison of social protection expenditure [per inhabitant](#) between countries, taking account of differences in [price levels](#). The highest level of expenditure on social protection per inhabitant in 2008 was registered for Luxembourg (PPS 14057 per inhabitant), followed some way behind by the Netherlands, Sweden, Denmark, Austria, France and Belgium – where social protection per inhabitant was between PPS 9600 and PPS 8200 (see Figure 6.4.1). In contrast, expenditure in Latvia, Romania and Bulgaria was less than PPS 2000 per inhabitant. These disparities between countries are partly related to different levels of wealth, but may also reflect differences in social protection systems, demographic trends, [unemployment rates](#) and other social, institutional and economic factors.

The highest share of [social protection benefits](#) (the largest component of social protection expenditure) was accounted for by old age and by sickness/[healthcare](#) benefits; together these two functions accounted for 68.8% of total EU-27 social benefits

in 2008 (see Figure 6.4.2). Benefits related to family/children, disability, survivors and [unemployment](#) ranged between 5% and 8% each, while housing accounted for 2.1%.

[Expenditure on pensions](#) across the EU-27 was equivalent to 11.7% of GDP in 2008, ranging from a high of 15.0% in Italy to lows of 6.0% in Ireland and Latvia (see Figure 6.4.3). Expenditure on care for the elderly in the EU-27 accounted for 0.4% of GDP in 2008, although Sweden reported a rate that was almost six times as high as the average; expenditure on the elderly fell to less than 0.1% of GDP in Greece, Estonia, Belgium, Bulgaria, Romania and Cyprus (see Figure 6.4.4).

Average (median) pension levels of 65 to 74 year olds across the EU-27 were generally lower than average earnings for those aged 50 to 59 in 2009 (see Figure 6.4.5). This was particularly the case in Cyprus, Latvia and Bulgaria, where pensions represented around one third of the earnings among those aged 50 to 59. The aggregate replacement ratio was highest in France, Austria, Luxembourg, Hungary and Sweden, where it stood at 60% or more. Relatively low aggregate replacement ratios may reflect low coverage and/or low income replacement from pension schemes within current pension systems, as well as incomplete careers or an under-declaration of earnings.

A breakdown of social protection receipts across the EU-27 in 2008 shows that the majority of receipts could be attributed to general government contributions (38.2%) and employers' [social contributions](#) (37.1%), while around one fifth (20.4%) of social protection receipts in the EU-27 were social contributions paid by protected persons (see Figure 6.4.6).

### Data sources and availability

Data on social protection expenditure and receipts are drawn up according to the [European system of integrated social protection statistics \(ESSPROS\)](#) methodology; this system has been designed to allow a comparison of social protection flows

between EU Member States. In April 2007, a legal basis was established for the provision of ESSPROS with the delivery of data to start from reference year 2006, as provided by the [European Parliament](#) and Council Regulation 458/2007; this was later supplemented by two [European Commission](#) implementing Regulations (1322/2007 and 10/2008).

Expenditure on social protection includes: [social benefits](#), administration costs (which represent the costs charged to the scheme for its management and administration) and other expenditure (which consists of miscellaneous expenditure by social protection schemes, principally, payment of [property income](#)).

[Social protection benefits](#) are direct transfers, in cash or in kind, by social protection schemes to households and individuals to relieve them of the burden of one or more of the defined risks or needs. Social benefits are paid to households by [social security funds](#), other government units, non-profit institutions serving households (NPISHs), employers administering unfunded social insurance schemes, insurance enterprises, or other institutional units administering privately funded social insurance schemes.

Social protection benefits are classified according to eight social protection functions (which represent a set of risks or needs):

- sickness/healthcare benefits – including paid sick leave, medical care and the provision of pharmaceutical products;
- disability benefits – including disability pensions and the provision of goods and services (other than medical care) to the disabled;
- old age benefits – including old age pensions and the provision of goods and services (other than medical care) to the elderly;
- survivors' benefits – including income maintenance and support in connection with the death of a family member, such as a survivors' pensions;
- family/children benefits – including support (except healthcare) in connection with the costs of pregnancy, childbirth, childbearing and caring for other family members;
- unemployment benefits – including [vocational training](#) financed by public agencies;

- housing benefits – including interventions by public authorities to help households meet the cost of housing;
- social exclusion benefits not elsewhere classified – including income support, rehabilitation of alcohol and drug abusers and other miscellaneous benefits (except healthcare).

The pensions aggregate comprises part of periodic cash benefits under the disability, old age, survivors and [unemployment](#) functions. It is defined as the sum of the following social benefits: disability pensions, early-retirement benefits due to reduced capacity to work, old age pensions, anticipated old age pensions, partial pensions, survivors' pensions, and early-retirement benefits for labour market reasons.

Expenditure on care for the elderly covers care allowances, accommodation, and assistance in carrying out daily tasks; this expenditure is generally expressed in relation to GDP.

The aggregate replacement ratio measures the difference between gross retirement benefits and [gross earnings](#). It is defined as the [median](#) individual gross pension of those aged 65 to 74 relative to median individual gross earnings of those aged 50 to 59, excluding other social benefits; it is expressed in percentage terms.

The schemes responsible for providing social protection are financed in different ways. Social protection receipts comprise social security contributions paid by employers and protected persons, contributions by general government, and other receipts from a variety of sources (for example, interest, dividends, rent and claims against third parties). Social contributions by employers are all costs incurred by employers to secure entitlement to social benefits for their employees, former employees and their dependants; they can be paid by resident or non-resident employers. They include all payments by employers to social protection institutions (actual contributions) and social benefits paid directly by employers to employees (imputed contributions). Social contributions made by protected persons comprise contributions paid by employees, by the self-employed and by pensioners and other persons.



## Context

Social protection systems are highly developed in the EU: they are designed to protect people against the risks and needs associated with unemployment, parental responsibilities, sickness/healthcare and invalidity, the loss of a spouse or parent, old age, housing and social exclusion (not elsewhere classified).

Pension systems can play a role in allowing beneficiaries to maintain living standards they enjoyed in the later years of their working lives. However, as Europe's population is becoming progressively older, the main challenge social protection systems are going to face is related to their financing, as the proportion of older persons grows while the number of persons of working age decreases.

The organisation and financing of social protection systems is the responsibility of each of the EU Member States. The model used in each Member State is therefore somewhat different, while the EU plays a coordinating role to ensure that people who move across borders continue to receive adequate protection. The EU seeks to promote actions among the Member States to combat poverty and social exclusion, and to reform social protection systems on the basis of policy exchanges and mutual learning. This policy is known as the social protection and social inclusion process – it underpins the Europe 2020 strategy and will play an important role as the EU seeks to become a smart, sustainable and inclusive economy.



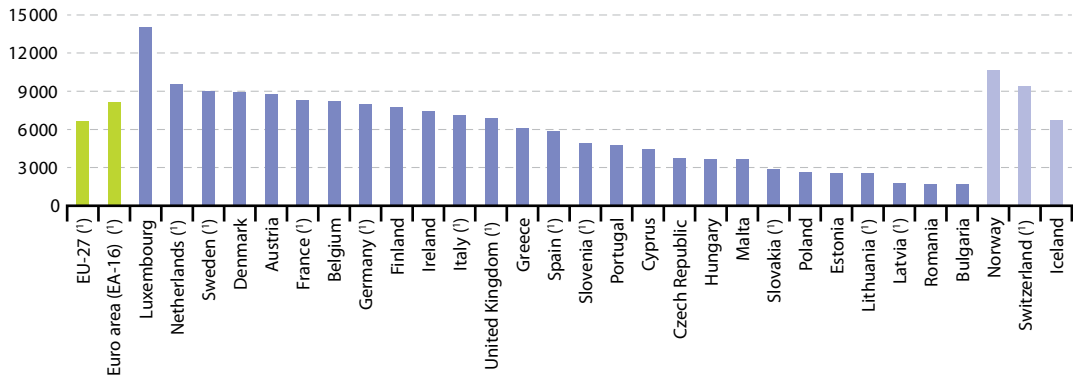
**Table 6.4.1:** Expenditure on social protection, 1998-2008  
(% of GDP)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>EU-27</b>	:	:	26.4	26.6	26.9	27.2	27.1	27.1	26.7	25.7	26.4
<b>Euro area (EA-16)</b>	:	:	26.7	26.8	27.4	27.8	27.7	27.7	27.3	26.8	27.5
Belgium	27.1	27.0	26.2	27.2	28.0	29.0	29.2	29.6	30.2	26.8	28.3
Bulgaria	:	:	10.2	9.7	10.2	9.7	9.7	15.1	14.2	14.1	15.5
Czech Republic	18.5	19.2	19.5	19.4	20.2	20.2	19.3	19.2	18.7	18.6	18.7
Denmark	30.0	29.8	28.9	29.2	29.7	30.9	30.7	30.2	29.2	28.8	29.7
Germany	28.9	29.3	29.3	29.5	30.1	30.5	29.8	29.7	28.7	27.7	27.8
Estonia	:	15.4	13.9	13.0	12.7	12.5	13.0	12.6	12.1	12.3	15.1
Ireland	15.2	14.6	13.9	14.9	17.2	17.8	18.0	18.1	18.4	18.9	22.1
Greece	21.7	22.7	23.5	24.3	24.0	23.5	23.6	24.6	24.6	24.5	26.0
Spain	20.2	19.8	20.3	20.0	20.4	20.7	20.7	20.9	20.9	21.0	22.7
France	30.1	29.9	29.5	29.6	30.4	30.9	31.3	31.4	30.7	30.5	30.8
Italy	24.6	24.8	24.7	24.9	25.3	25.8	26.0	26.4	26.6	26.7	27.8
Cyprus	:	:	14.8	14.9	16.3	18.4	18.1	18.4	18.4	18.1	18.4
Latvia	16.1	17.2	15.4	14.5	14.1	13.9	13.1	12.7	12.6	11.2	12.6
Lithuania	15.1	16.3	15.8	14.8	14.1	13.6	13.4	13.3	13.4	14.5	16.2
Luxembourg	21.2	20.5	19.6	20.9	21.6	22.1	22.3	21.7	20.4	19.3	20.1
Hungary	:	20.3	19.5	19.2	20.3	21.2	20.6	21.9	22.4	22.4	22.7
Malta	17.9	17.8	16.9	17.8	17.8	18.3	18.7	18.5	18.1	18.0	18.9
Netherlands	27.8	27.1	26.4	26.5	27.6	28.3	28.3	27.9	28.8	28.3	28.4
Austria	28.5	29.0	28.4	28.8	29.2	29.6	29.3	28.9	28.4	27.9	28.2
Poland	:	:	19.7	21.0	21.1	21.0	20.1	19.7	19.4	18.1	18.6
Portugal	20.2	20.6	20.9	21.9	22.9	23.3	23.9	24.6	24.6	24.0	24.3
Romania	:	:	13.0	12.8	13.6	13.1	12.8	13.4	12.8	13.6	14.3
Slovenia	24.1	24.1	24.2	24.5	24.4	23.7	23.4	23.0	22.7	21.3	21.5
Slovakia	20.0	20.2	19.4	19.0	19.1	18.2	17.2	16.5	16.3	16.0	16.0
Finland	27.1	26.4	25.1	25.0	25.7	26.6	26.7	26.7	26.4	25.4	26.3
Sweden	31.2	30.8	29.9	30.5	31.3	32.2	31.6	31.1	30.3	29.1	29.4
United Kingdom	26.3	25.7	26.4	26.8	25.7	25.7	25.9	26.3	26.0	23.3	23.7
Iceland	18.3	18.8	19.2	19.4	21.2	23.0	22.6	21.6	21.2	21.4	22.0
Norway	26.9	26.9	24.4	25.4	26.0	27.2	25.9	23.8	22.6	22.9	22.4
Switzerland	27.4	27.4	27.0	27.7	28.5	29.2	29.3	29.3	28.0	27.3	26.4

Source: Eurostat (online data code: [tps00098](#))



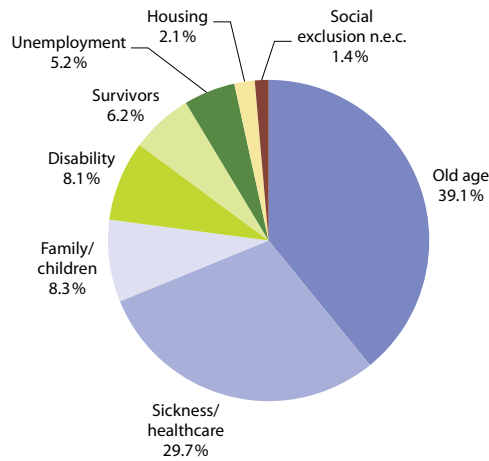
**Figure 6.4.1:** Expenditure on social protection per inhabitant, 2008 (PPS)



(\*) Provisional.

Source: Eurostat (online data code: [tps00100](#))

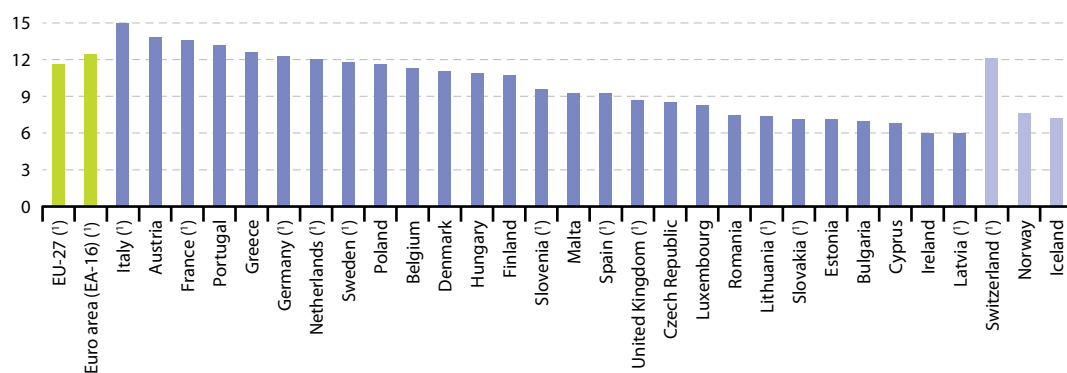
**Figure 6.4.2:** Social benefits, EU-27, 2008 (\*) (% based on PPS)



(\*) Provisional; figures do not sum to 100% due to rounding.

Source: Eurostat (online data code: [spr\\_exp\\_sum](#))

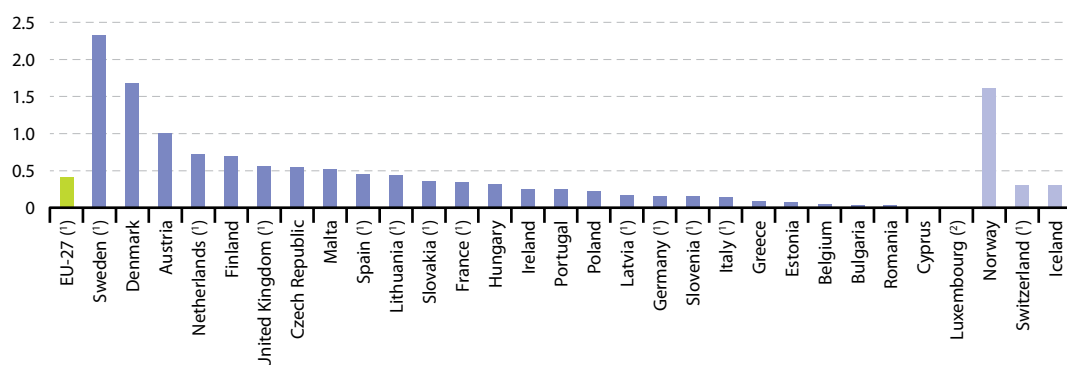
**Figure 6.4.3: Expenditure on pensions, 2008**  
(% of GDP)



(1) Provisional.

Source: Eurostat (online data code: [tps00103](#))

**Figure 6.4.4: Expenditure on care for the elderly, 2008**  
(% of GDP)



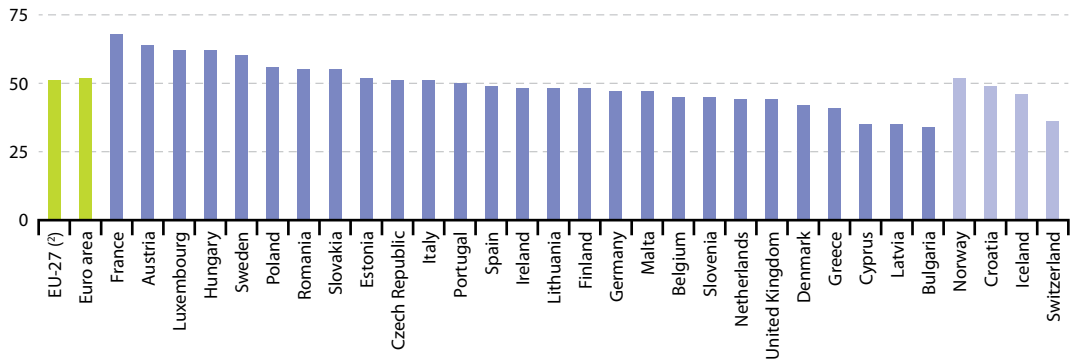
(1) Provisional.

(2) Not available: expenditure was recorded together with similar benefits under the disability function as the split between old-age and disability was not available.

Source: Eurostat (online data code: [tsdde530](#))



**Figure 6.4.5: Aggregate replacement ratio, 2009<sup>(1)</sup>**  
(%)

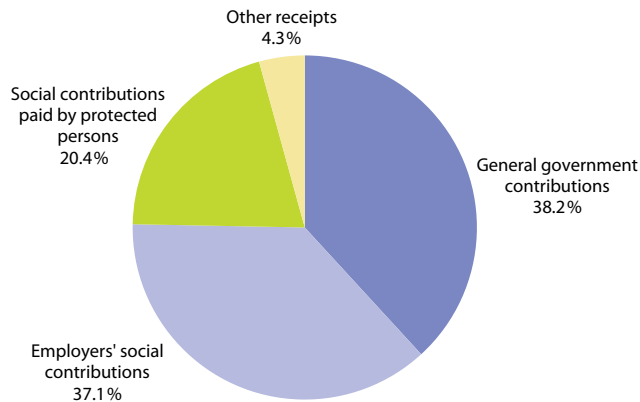


<sup>(1)</sup> The income reference period concerns the year preceding the survey year for the majority of countries.

<sup>(2)</sup> Eurostat calculation based on population-weighted averages of national data.

Source: Eurostat (online data code: [ilc\\_pnp3](#))

**Figure 6.4.6: Social protection receipts, EU-27, 2008<sup>(1)</sup>**  
(% of total receipts)



<sup>(1)</sup> Provisional.

Source: Eurostat (online data code: [spr\\_rec\\_sumt](#))

## 6.5 Crime

European Union (EU) statistics currently available on crime and criminal justice reflect the diversity of policing and legal systems within the EU. While the development of crime and criminal justice statistics admittedly is still in its infancy, a more comparable system is in the process of being developed.

Comparisons of crime statistics between Member States ideally should focus on trends over time, rather than directly comparing levels between countries for a specific year, given that the data can be affected by a range of factors, including different levels of criminalisation, the efficiency of criminal justice systems, and police recording practices; furthermore, it is likely that a relatively high proportion of crime remains unrecorded.

### Main statistical findings

There were 1.7 million police officers in the EU-27 in 2008, which marked an overall increase of 2.5% when compared with five years earlier (excluding Bulgaria – see Table 6.5.1). There were some quite rapid changes in the size of national police forces during the period from 1998 to 2008, as the size of the police force was reduced by more than a fifth in each of the Baltic Member States. The Czech Republic (–4.0%) and Austria (–0.7%) recorded more modest falls in police numbers. On the other hand, there were expansions in police numbers of at least 20% recorded for Ireland and Cyprus; all of the other Member States (where an unbroken series is available) recorded increases in their respective numbers of police officers.

There were an estimated 29 million crimes recorded by the police within the EU-27 in 2008 (see Table 6.5.2). From 2000, the number of recorded crimes in the EU-27 rose to a peak around 2003, but subsequently fell each year through to 2008. From the peak in recorded crime in the EU in 2003 through to 2008 the number of recorded crimes fell by 20% or more in Poland, Malta, and England and Wales (within the United Kingdom). Figure 6.5.1 shows the development in the number of recorded crimes between 2005 and 2008: the most substantial

fall in the number of reported crimes over this period concerned motor vehicle theft.

The EU-27 prison population rose by 1.2% per annum during the period 1998 to 2008 to reach a total of close to 620 000, which equated to 124 prisoners per 100 000 members of the total population. When expressed in these relative terms, the Baltic Member States and Poland had the largest prison populations, with more than 200 prisoners per 100 000 inhabitants in 2008, while the relative number of prisoners in the Czech Republic was just below this level. At the other end of the range, the Nordic countries of Denmark, Finland and Sweden (as well as Iceland and Norway among non-member countries, both 2007 data), Slovenia and Ireland, each reported less than 75 prisoners per 100 000 inhabitants in 2008, with Switzerland just above this level (see Table 6.5.3).

### Data sources and availability

Eurostat publishes statistics on crime and criminal justice systems from 1950 onwards for the total number of recorded crimes, and from 1993 onwards for a set of specific offences. In addition, the database also includes statistics for prison populations from 1987 onwards and the number of police officers from 1993 onwards. Figures for the United Kingdom are reported for the separate jurisdictions of England and Wales, Scotland, and Northern Ireland.

Comparisons of crime statistics between countries may be affected by a range of factors, including:

- different legal and criminal justice systems;
- the rates at which crimes are reported to the police and recorded by them;
- differences in the timing of recording crimes (for example, when reported to the police, when a suspect is identified, etc.);
- differences in the rules by which multiple offences are counted;
- differences in the list of offences that are included in the overall crime figures.



Consequently, care should be taken when analysing the information presented.

Figures for the prison population may also be affected by a range of factors, including:

- the number of cases dealt with by the courts;
- the percentage of convicted criminals given a custodial sentence;
- the length of the sentences imposed; the size of the population on remand;
- the date at which the survey was conducted (especially where amnesties or other early release arrangements might apply).

The prison population should be measured as the total number of adult and juvenile prisoners (including pre-trial detainees) as of 1 September each year. The figures include offenders held in prison administration facilities, juvenile offenders' institutions, drug addicts' institutions and psychiatric or other hospitals.

As a general rule, comparisons should be based upon trends rather than upon levels, on the assumption that the characteristics of the recording system within a country remain fairly constant over time. There are, however, a large number of breaks in [time series](#) and other methodological/definitional changes.

## Context

The progressive elimination of border controls within the EU has considerably facilitated the free movement of European citizens, but may have also made it easier for criminals to operate, especially since the scope of law enforcement authorities and criminal justice systems is generally limited to the boundaries of national borders.

Since the adoption of the [Amsterdam Treaty](#), the EU has set itself the objective of providing a common area of freedom, security and justice. This goal was further developed by the Hague programme in 2004, which outlined ten priority areas: strengthening fundamental rights and citizenship; anti-terrorist measures; defining a balanced approach to migration; developing integrated management of the EU's external borders; setting up a common

asylum procedure; maximising the positive impact of immigration; striking the right balance between privacy and security while sharing information; developing a strategic concept on tackling organised crime; ensuring a genuine European area of justice; and sharing responsibility and solidarity.

As part of the work to harmonise and develop statistics on crime and criminal justice systems, EU Member States agreed to approximate the definitions of offences and the level of sanctions for certain type of offences. Furthermore, mutual recognition of decisions taken by national judges is set to become the cornerstone of judicial cooperation in criminal matters, with a range of tools having been developed to facilitate practical cooperation across borders.

With respect to police cooperation, the EU seeks to grant law enforcement authorities in each of the Member States access to relevant information (such as DNA, fingerprint, vehicle registration or immigration databases), and to improve police cooperation within a common framework for the protection of personal data. Access to information is covered by a raft of legislation, including the Data Retention Directive 2006/24/EC, the Swedish Initiative Framework Decision 2006/960/JHA, the Prüm Council Decision 2008/615/JHA and Regulation 767/2008 concerning a visa information system (VIS) and the exchange of data between Member States.

Police cooperation has been encouraged through legislation such as Framework Decision 2002/465/JHA on Joint Investigation Teams and Council Decision 2008/617/JHA on improved cooperation between special intervention units, while a range of organisations/bodies have been created to aid cooperation between different law enforcement agencies, such as the European Police College (CEPOL), the European Police Office (Europol) or the European agency for the management of operational cooperation at the external borders of the Member States of the EU (Frontex). Furthermore, the EU supports a range of national and multi-national projects, through programmes such as the 'Prevention of and fight against crime' (Council Decision 2007/125/JHA).



The first steps towards a more comparable system of crime and criminal justice statistics were outlined in European Commission Communication (COM(2006) 437), titled 'Developing a comprehensive and coherent EU strategy to measure crime and criminal justice: an EU action plan 2006-2010'. In the short term, its objective was to collect national data and to assess its quality. However, the longer-term goal for the European Commission's Directorate-General for Home Affairs is to develop, in close collaboration with Eurostat, a harmonised methodology on which the collection of EU-wide statistics

should be based, allowing comparisons of the structure and trends of crime between Member States.

Particular progress has been made in the collection of statistics related to the police and in the development of a common victimisation survey. The collection of data relating to money laundering is underway, and subsequent priorities include information on the trafficking of human beings, corruption and cybercrime. A pilot survey to assess the level and impact of crimes against businesses in EU Member States was also launched at the end of 2011.

**Table 6.5.1:** Police officers, 1998-2008

	Police officers (units)			Police officers (per 100 000 inhabitants)		
	1998	2003	2008	1998	2003	2008
<b>EU-27<sup>(1)</sup></b>	:	:	1 677 846	:	:	337.1
Belgium <sup>(2)</sup>	36 419	36 318	38 068	357.3	350.7	356.9
Bulgaria	:	:	33 800	:	:	442.4
Czech Republic	43 888	46 616	42 117	426.1	456.9	405.7
Denmark	9 962	10 352	10 743	188.1	192.3	196.2
Germany	237 786	245 415	247 619	289.8	297.3	301.2
Estonia	4 089	3 553	3 218	293.5	262.0	240.0
Ireland	11 235	12 017	14 411	304.2	303.1	327.4
Greece	45 389	52 123	50 798	419.9	473.6	453.0
Spain	:	194 793	224 086	:	467.5	494.9
France <sup>(3)</sup>	223 582	233 250	228 402	383.5	388.1	367.6
Italy <sup>(4)</sup>	265 093	249 714	245 152	465.9	435.6	411.2
Cyprus	3 987	4 773	5 280	590.5	667.4	669.0
Latvia	10 878	9 796	8 410	449.4	420.2	370.3
Lithuania	14 181	11 910	11 018	398.1	344.0	327.3
Luxembourg <sup>(4)</sup>	1 136	1 304	1 555	269.2	290.9	321.4
Hungary	30 382	29 518	33 698	295.6	291.0	335.5
Malta	1 756	1 845	1 884	466.4	464.4	459.2
Netherlands	32 088	36 907	35 463	205.0	227.9	216.2
Austria	26 817	26 634	26 623	336.4	328.8	320.0
Poland	99 285	99 919	100 648	256.8	261.4	264.1
Portugal	45 484	47 417	51 584	449.9	455.6	485.8
Romania	48 803	45 690	50 339	216.7	209.8	233.8
Slovenia	6 821	7 526	7 779	343.6	377.2	387.0
Slovakia	13 988	13 667	14 059	259.6	254.1	260.3
Finland	7 889	8 323	8 191	153.3	159.9	154.5
Sweden	16 429	16 292	18 321	185.7	182.2	199.5
United Kingdom:						
England and Wales	126 814	133 366	140 230	245.6	253.2	258.4
Scotland	14 854	15 482	17 048	290.0	306.2	330.6
Northern Ireland	:	8 986	7 302	:	528.6	413.2
Iceland	:	678	646	:	235.0	204.8
Liechtenstein	:	84	83	:	248.1	234.8
Norway	7 384	8 062	7 505	167.1	177.1	158.4
Switzerland	14 367	15 155	16 326	202.5	207.2	215.0
Croatia	22 577	19 622	19 823	497.6	441.7	446.8
FYR of Macedonia	:	8 357	9 905	:	413.0	484.3
Turkey	322 766	318 189	341 770	499.3	456.1	484.2
Japan	226 401	241 732	251 939	:	:	:
United States	641 208	663 796	708 569	:	:	:

(<sup>1</sup>) Excluding French overseas departments and territories.

(<sup>2</sup>) Break in series between 2003 and 2008.

(<sup>3</sup>) Excluding overseas departments and territories.

(<sup>4</sup>) Break in series between 1998 and 2003.

Source: Eurostat (online data codes: [crim\\_plce](#), [tps00001](#) and [demo\\_r\\_d2jan](#))



**Table 6.5.2: Crimes recorded by the police, 1998-2008**  
(1 000)

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
<b>EU-27 <sup>(1)</sup></b>	:	:	28 611	29 612	30 677	30 865	30 255	29 842	29 662	29 187	28 512
Belgium <sup>(2)</sup>	:	:	1 003	961	1 008	1 001	1 006	991	1 012	1 017	993
Bulgaria <sup>(2)</sup>	159	145	149	147	147	144	142	138	136	135	127
Czech Republic	426	427	391	359	372	358	352	344	336	357	344
Denmark	499	494	504	473	492	486	474	433	425	445	477
Germany	6 457	6 302	6 265	6 364	6 507	6 572	6 633	6 392	6 304	6 285	6 114
Estonia <sup>(3)</sup>	46	52	58	58	53	54	53	53	52	50	51
Ireland <sup>(2)</sup>	86	81	73	87	106	103	99	102	103	:	:
Greece	386	374	369	440	441	442	406	456	464	423	417
Spain <sup>(4)</sup>	1 866	1 896	1 853	2 052	2 183	2 144	2 141	2 231	2 267	2 310	2 331
France <sup>(5)</sup>	3 566	3 568	3 772	4 062	4 114	3 975	3 825	3 776	3 726	3 589	3 558
Italy <sup>(6)</sup>	2 426	2 374	2 206	2 164	2 232	2 457	2 418	2 579	2 771	2 933	2 710
Cyprus <sup>(7)</sup>	4	4	4	5	5	7	8	7	8	8	7
Latvia <sup>(8)</sup>	37	44	50	51	49	52	62	51	62	56	57
Lithuania	78	77	82	79	73	79	84	82	75	68	72
Luxembourg <sup>(9)</sup>	27	27	23	23	26	26	27	25	26	28	28
Hungary	601	506	451	466	421	413	419	437	426	427	408
Malta	15	16	17	16	17	18	18	19	17	15	14
Netherlands	1 235	1 303	1 329	1 379	1 402	1 369	1 319	1 255	1 218	1 215	:
Austria	480	493	560	523	592	643	644	605	589	594	573
Poland	1 073	1 122	1 267	1 390	1 404	1 467	1 461	1 380	1 288	1 153	1 082
Portugal	341	363	363	372	392	417	416	392	399	400	431
Romania	399	364	354	340	312	277	232	208	233	281	289
Slovenia <sup>(10)</sup>	55	62	68	75	77	77	87	84	90	88	82
Slovakia	94	94	89	93	107	112	131	124	115	111	105
Finland	383	372	386	361	365	367	354	340	325	344	355
Sweden	1 181	1 194	1 215	1 189	1 235	1 255	1 249	1 242	1 225	1 306	1 378
<b>United Kingdom:</b>											
England and Wales <sup>(11)</sup>	5 106	5 298	5 167	5 522	5 975	6 014	5 638	5 555	5 428	4 951	4 702
Scotland <sup>(6)</sup>	432	436	423	421	427	407	438	418	419	386	377
Northern Ireland <sup>(11)</sup>	109	119	120	140	142	128	118	123	121	108	110
Iceland <sup>(4)</sup>	:	:	19	19	20	18	17	12	13	13	15
Liechtenstein	1	1	1	1	1	1	1	1	1	1	1
Norway	294	292	307	300	320	304	288	276	277	272	264
Switzerland	378	355	317	322	357	379	389	353	335	326	323
Montenegro	:	:	:	8	9	9	8	10	10	9	8
Croatia	56	58	68	78	78	80	85	80	81	76	75
FYR of Macedonia	:	:	20	17	18	23	23	23	22	26	28
Turkey <sup>(12)</sup>	357	339	337	412	456	496	529	669	978	946	986
Japan	2 034	2 166	2 443	2 736	2 854	2 790	2 563	2 269	2 051	:	:
United States	12 486	11 634	11 608	11 877	11 879	11 827	11 679	11 565	11 402	11 252	11 150

<sup>(1)</sup> Excluding French overseas departments and territories; the figures for 2007 and 2008 are calculated using data for Ireland for 2006 and the 2008 figures is calculated using data for the Netherlands for 2007; care should be taken in interpreting the time-series due to a large number of breaks in series.

<sup>(2)</sup> Break in series, 1999.

<sup>(3)</sup> Break in series, 2001 and 2005.

<sup>(4)</sup> Break in series, 2004.

<sup>(5)</sup> Excluding overseas departments and territories.

<sup>(6)</sup> Break in series, 2003.

<sup>(7)</sup> Break in series, 2002.

<sup>(8)</sup> Break in series, 2003, 2004 and 2005.

<sup>(9)</sup> Break in series, 1999 and 2001.

<sup>(10)</sup> Break in series, 1999 and 2002.

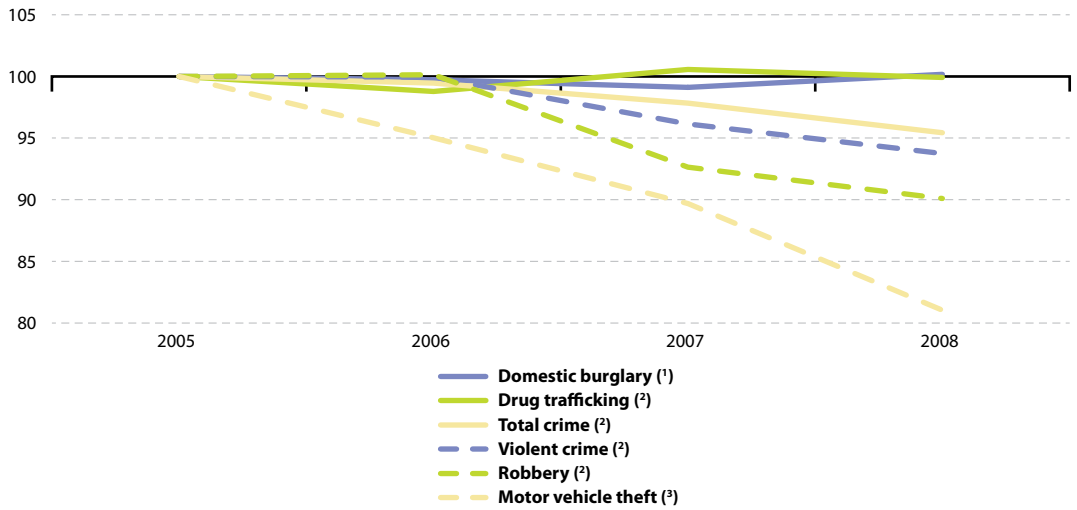
<sup>(11)</sup> Break in series, 2001.

<sup>(12)</sup> Break in series, 2004 and 2005.

Source: Eurostat (online data code: [crim\\_gen](#))



**Figure 6.5.1:** Offences recorded by the police, EU-27, 2005-2008  
(2005 = 100)



(¹) Excluding Ireland, Latvia, the Netherlands and Slovenia.

(²) Excluding Estonia, Ireland, Latvia and the Netherlands.

(³) Excluding Ireland, Latvia and the Netherlands.

Source: Eurostat (online data code: [crim\\_gen](#))

**Table 6.5.3:** Prison population, 1998-2008

	Prison population (units)			Prison population (per 100 000 inhabitants)		
	1998	2003	2008	1998	2003	2008
<b>EU-27<sup>(1)</sup></b>	549 399	597 450	617 676	114.2	122.8	124.1
Belgium	8 176	9 308	9 858	80.2	89.9	92.4
Bulgaria	10 779	10 056	9 922	130.1	128.2	129.9
Czech Republic	22 085	17 180	20 471	214.4	168.4	197.2
Denmark	3 422	3 641	3 530	64.6	67.6	64.5
Germany <sup>(2)</sup>	69 917	79 183	73 203	85.2	95.9	89.0
Estonia	4 791	4 352	3 656	343.9	320.9	272.6
Ireland	2 620	2 986	2 872	70.9	75.3	65.3
Greece <sup>(2)</sup> <sup>(4)</sup>	7 129	8 555	10 864	66.0	77.7	97.2
Spain	44 370	56 096	73 558	111.9	134.6	162.4
France <sup>(4)</sup>	53 667	55 407	64 003	92.1	92.2	103.0
Italy	49 173	54 237	58 127	86.4	94.6	97.5
Cyprus	226	355	646	33.5	49.6	81.8
Latvia	10 070	8 222	6 873	416.0	352.7	302.7
Lithuania	13 813	8 957	7 736	387.8	258.7	229.8
Luxembourg	392	455	673	92.9	101.5	139.1
Hungary	14 366	16 507	14 626	139.8	162.8	145.6
Malta	260	278	444	69.1	70.0	108.2
Netherlands	12 598	15 194	14 734	80.5	93.8	89.8
Austria <sup>(3)</sup>	6 891	7 816	7 899	86.4	96.5	95.0
Poland	59 180	80 692	84 549	153.1	211.1	221.8
Portugal	14 330	13 635	10 807	141.7	131.0	101.8
Romania	52 149	42 815	26 212	231.5	196.6	121.8
Slovenia	793	1 099	1 318	40.0	55.1	65.6
Slovakia	6 897	8 829	8 313	128.0	164.1	153.9
Finland	2 772	3 463	3 457	53.9	66.5	65.2
Sweden	5 279	6 726	6 806	59.7	75.2	74.1
<b>United Kingdom:</b>						
England and Wales	65 771	73 657	83 194	127.4	139.8	153.3
Scotland	6 029	6 621	7 835	117.7	131.0	152.0
Northern Ireland	1 454	1 128	1 490	86.3	66.4	84.3
Iceland <sup>(2)</sup>	:	112	115	:	38.8	36.5
Liechtenstein	65	67	78	207.5	197.9	220.6
Norway <sup>(2)</sup>	2 466	2 944	3 420	55.8	64.7	72.2
Switzerland <sup>(3)</sup>	5 648	5 214	5 780	79.6	71.3	76.1
Montenegro	:	744	1 255	:	120.1	200.0
Croatia	:	2 803	4 734	:	63.1	106.7
FYR of Macedonia	1 121	1 545	2 235	56.0	76.3	109.3
Turkey	60 096	63 796	103 435	93.0	91.4	146.5
Japan	51 986	71 889	:	:	:	:
United States	1 816 931	2 081 580	2 396 140	:	:	:

(1) Excluding French overseas departments and territories; includes Greek data for 2007 instead of 2008; care should be taken in interpreting the development over time due to a large number of breaks in series.

(2) 2007 instead of 2008.

(3) Break in series between 1998 and 2003.

(4) Break in series between 1998 and 2003 and between 2003 and 2008.

Source: Eurostat (online data codes: [crim\\_pris](#), [tps00001](#) and [demo\\_r\\_d2jan](#))