

Contents

Foreword.....	3
Acknowledgements by editors.....	5
Contents.....	6
List of figures and tables.....	16
About the book, its policy context and the EU-SILC instrument.....	23
1. Improving the understanding of poverty and social exclusion in Europe.....	25
(Anne-Catherine Guio, Eric Marlier and Brian Nolan)	
1.1. Aims of Net-SILC3 and policy context of the book.....	25
1.1.1. Aims of Net-SILC3.....	25
1.1.2. Policy context.....	25
1.2. Outline of the book.....	28
1.3. Further development of EU-SILC and EU social monitoring.....	33
1.3.1. Improving the understanding of income distribution on a comparable basis.....	33
1.3.2. Improving the understanding of intra-household and intergenerational differences in deprivation.....	34
1.3.3. Improving the understanding of the situation of those left behind.....	34
1.3.4. Improving the understanding of non-monetary inequalities.....	35
1.3.5. Improving the understanding of the impact of social transfers.....	36
1.3.6. Improving the understanding of regional disparities.....	36
1.3.7. Improving the understanding of the dynamics of social problems.....	36
1.3.8. Improving the understanding of the role of unmeasured factors.....	37
1.4. Impact of the COVID-19 pandemic.....	37
References.....	38
2. Investing in statistics: EU-SILC.....	39
(Emilio Di Meglio, Didier Dupré and Sigita Grundiza)	
2.1. Introduction.....	
2.2. The EU-SILC instrument and its governance.....	39
2.2.1. Scope and geographic coverage.....	39
2.2.2. Main characteristics of EU-SILC.....	39
2.2.3. Legal basis.....	40
2.2.4. Common guidelines.....	41

2.3. Methodological framework	41
2.3.1. Contents of EU-SILC.....	41
2.3.2. Income concept.....	42
2.3.3. Sample requirements.....	44
2.3.4. Tracing rules.....	46
2.4. Information on quality	46
2.4.1. Some comparability issues.....	46
2.4.2. Quality reports.....	48
2.5. Data and indicators	49
2.5.1. Data access.....	49
2.5.2. Indicators computation.....	49
2.6. Way forward	50
References.....	50
Improving our understanding of inequalities	51
3. Exploring inequality decomposition by income source at EU level	53
(Stefano Filauro and Alessia Fulvimari)	
3.1. Introduction.....	
3.2. Methods.....	54
3.3. Income data: limitations of the inequality decomposition using EU-SILC.....	55
3.4. Empirical evidence.....	58
3.4.1. Changes in the disequalising effect of labour income.....	60
3.4.2. Changes in the disequalising effect of capital income.....	66
3.4.3. Changes in the equalising effect of taxes.....	66
3.5. Conclusions.....	70
References.....	71
4. Regional disparities during the Great Recession: an application of multiannual average approximation in six EU Member States	73
(Matthias Till)	
4.1. Introduction.....	
4.2. The potential of indicators for effective allocation of social investments.....	74
4.3. Regional information in the User Database.....	74

4.4. Improving precision of EU-SILC estimates by average annual approximation.....	76
4.5. How the crisis years are reflected in the at risk of poverty or social exclusion rate.....	77
4.6. Mapping structural disparities in six countries.....	79
4.7. Quantifying regional cohesion.....	80
4.8. Have regional patterns changed over the past decade?.....	83
4.9. Conclusion.....	85
References.....	85
5. Foreign-born households in the income distribution and their contribution to social indicators in European countries.....	87
(Alessio Fusco, Rhea Ravenna Sohst and Philippe Van Kerm)	
5.1. Introduction.....	
5.2. Immigrants in EU-SILC samples.....	88
5.2.1. Coverage.....	88
5.2.2. Defining foreign-born households in EU-SILC.....	90
5.3. Foreign- and native-born living standards compared.....	91
5.4. Do foreign-born households influence social indicators?.....	95
5.4.1. Median income.....	96
5.4.2. Mean income.....	99
5.4.3. Gini.....	99
5.4.4. At risk of poverty.....	99
5.4.5. Severe material deprivation.....	100
5.4.6. (Quasi-)joblessness.....	100
5.4.7. At risk of poverty or social exclusion.....	100
5.5. Conclusion.....	100
References.....	102
6. How much are people left behind in multidimensional poverty?.....	103
(Elena Bárcena-Martín, Francisca García-Pardo and Salvador Pérez-Moreno)	
6.1. Introduction.....	
6.2. Methodology.....	105
6.3. Measuring the extent to which individuals are left behind in multidimensional poverty across European countries.....	107

6.4. How left-behind individuals have progressed, across European countries.....	109
6.5. Who is most left behind?.....	112
6.5.1. Being left behind by sociodemographic characteristics.....	112
6.5.2. Prominent features among those left behind.....	117
6.6. Conclusions.....	119
References.....	120
Understanding the role of social transfers.....	121
7. Assessing the anti-poverty effects of social transfers: net or gross? And does it really matter?.....	123
(Chrysa Leventi, Andrea Papini and Holly Sutherland)	
7.1. Introduction.....	
7.2. Methodology and data.....	124
7.2.1. Microsimulation model and income concepts.....	124
7.2.2. Definition of baseline and hypothetical scenarios.....	125
7.3. Results.....	127
7.3.1. Deducting transfers in gross terms versus deducting transfers net of taxes and social insurance contributions.....	127
7.3.2. Disentangling the effect of net/gross conversion and of social transfer interdependencies.....	132
7.4. Conclusion.....	136
References.....	137
8. By how much do social transfers reduce material deprivation in Europe?.....	139
(Geranda Notten and Anne-Catherine Guio)	
8.1. Introduction.....	
8.2. Method, data and model specification.....	140
8.2.1. Method.....	140
8.2.2. Dependent variable.....	140
8.2.3. Independent variables.....	142
8.2.4. Regression estimators and model specification.....	143
8.3. Impact of an additional transfer on the level of material and social deprivation.....	148
8.4. Conclusion.....	151
References.....	152

9. Threshold sensitivity of income poverty measures for EU social targets	155
(Rolf Aaberge, Andrea Brandolini and Iryna Kyzyma)	
9.1. Introduction	
9.2. Threshold-free primal and dual measures of poverty	156
9.3. Data and statistical analysis	160
9.4. Poverty across Member States in 2018	161
9.5. The dependence of optimal allocations of anti-poverty budgets on the choice of the poverty measure	166
9.6. Conclusion	171
References	172
Understanding inequalities in health and housing conditions	173
10. Comparing unmet need for medical care across EU countries: does risk adjustment matter?	175
(Valerie Moran, Andrea Riganti, Luigi Siciliani and Andrew M. Jones)	
10.1. Introduction	
10.2. Data	176
10.3. Methods	177
10.4. Results	178
10.4.1. Descriptive statistics	178
10.4.2. Regression results	178
10.4.3. Sensitivity analysis: additional health variables	182
10.4.4. Sensitivity analysis: equivalised disposable income	183
10.5. Conclusion	183
References	185
Appendix 10.1: Unmet need question on SILC questionnaire	186
11. Excess mortality among people at risk of poverty or social exclusion: results for five EU countries	191
(Johannes Klotz, Matthias Till and Tobias Göllner)	
11.1. Introduction	
11.2. Materials and methods	192
11.2.1. The at risk of poverty or social exclusion target group	192
11.2.2. Data acquisition, pooling and preparation	192
11.2.3. Countries included	193

11.2.4. Sample characteristics.....	195
11.2.5. Proportional hazards regression.....	196
11.3. Results.....	196
11.3.1. Model for all age groups.....	196
11.3.2. Age-specific analysis.....	198
11.3.3. Disaggregation of at risk of poverty or social exclusion into its components (ages 30–59 years).....	198
11.4. Conclusions.....	200
References.....	202
12. Improving our knowledge of housing conditions at EU level.....	203
(Ida Borg and Anne-Catherine Guio)	
12.1. Introduction.....	
12.2. Micro-level determinants of housing problems.....	203
12.3. Macro-level determinants of housing problems.....	204
12.4. Method and data.....	206
12.4.1. Method.....	206
12.4.2. Dependent variables.....	206
12.4.3. Micro-level determinants.....	208
12.4.4. Macro-level determinants.....	209
12.5. Results from multilevel analyses.....	209
12.5.1. Micro-level determinants.....	210
12.5.2. Macro-level determinants.....	211
12.6. Conclusions.....	214
References.....	215
Understanding deprivation of children and among couples.....	217
13. National risk factors of child deprivation in Europe.....	219
(Anne-Catherine Guio, Eric Marlier, Frank Vandenbroucke and Pim Verbunt)	
13.1. Introduction.....	
13.2. A robust EU measure of child-specific deprivation.....	220
13.3. The model and the estimation strategy.....	221
13.4. Determinants of child deprivation.....	222
13.5. The results.....	225

13.5.1. Single-level models.....	225
13.5.2. Multilevel model and cross-level interactions.....	227
13.6. Conclusion.....	231
References.....	232
14. Deprivation among couples: sharing or unequal division? (Anne-Catherine Guio and Karel Van den Bosch)	235
14.1. Introduction	
14.2. Definitions and measurement.....	236
14.3. Descriptive analysis.....	236
14.3.1. Intra-couple differences in access to individual items.....	237
14.3.2. Gender differences in (enforced) deprivation of individual items.....	237
14.3.3. Gender differences in the number of items lacked.....	240
14.4. Determinants of the gender deprivation gap.....	242
14.5. Conclusions.....	247
References.....	248
Understanding the dynamics of poverty and social exclusion.....	251
15. In-work poverty and deprivation dynamics in Europe..... (Anne-Catherine Guio, David Marguerit and Ioana Cristina Salagean)	253
15.1. Introduction	
15.2. Definitions and measurement.....	254
15.3. Data.....	255
15.4. Descriptive analysis.....	255
15.4.1. Cross-sectional results.....	255
15.4.2. Year-to-year trajectories to and from in-work poverty/deprivation, aggregate level.....	256
15.4.3. Year-to-year trajectories from in-work poverty/deprivation, by country.....	260
15.4.4. Year-to-year trajectories to in-work poverty/deprivation, by country.....	262
15.5. Determinants of in-work poverty/deprivation trajectories.....	264
15.5.1. Econometric strategy.....	264
15.5.2. Explanatory variables and sample.....	264
15.5.3. Results.....	266
15.6. Conclusion.....	270
References.....	272

16. Chronic multidimensional poverty in Europe	275
(Sabina Alkire and Mauricio Apablaza, with Anne-Catherine Guio)	
16.1. Introduction	
16.2. Literature review	275
16.3. Methods and data	275
16.3.1. Chronic multidimensional poverty measure	276
16.3.2. Structure of the two multidimensional poverty indexes	276
16.3.3. Data	277
16.3.4. Duration of deprivation in each dimension	279
16.4. Dynamics of the first multidimensional poverty indicator	280
16.5. Dynamics of the extended multidimensional poverty indicator, adult population	286
16.6. Conclusion	290
References	291
Methodological and conceptual issues linked to the design and coverage of EU-SILC	293
17. Rotation group bias in European Union social indicators	295
(Alessio Fusco, Giovanni Gallo and Philippe Van Kerm)	
17.1. Introduction	
17.2. Data and social indicators	297
17.2.1. Data	297
17.2.2. Four social indicators	299
17.3. Assessing rotation group bias	299
17.4. Results	300
17.4.1. Differences across rotation groups	300
17.4.2. Influence function regression: unconditional and conditional effects	303
17.4.3. Can we link rotation group bias to survey design characteristics?	308
17.5. Conclusion	311
References	311

18. The measurement of social class in EU-SILC: comparability between countries and consistency over time	313
(Tim Goedemé, Marii Paskov and Brian Nolan)	
18.1. Introduction	
18.2. The European Socio-economic Classification in EU-SILC	314
18.2.1. Background of the European Socio-economic Classification class schema	314
18.2.2. Constructing the European Socio-economic Classification in EU-SILC	315
18.2.3. Limitations of constructing the European Socio-economic Classification in EU-SILC	316
18.3. Other methodological issues	318
18.4. Findings	318
18.4.1. The class structure of the population currently at work	318
18.4.2. In-work poverty by social class in 2018	321
18.4.3. The change from ISCO-88 to ISCO-08	322
18.4.4. Longer-term trends in selected countries	324
18.5. Conclusion	326
References	326
19. Reconciliation of EU-SILC data with national accounts	329
(Veli-Matti Törmälehto)	
19.1. Introduction	
19.2. Unadjusted coverage rates and potential reasons for the discrepancies	330
19.2.1. Conceptual differences	331
19.2.2. Quality of EU-SILC income totals	332
19.3. Coverage of wages/salaries and transfers	333
19.4. Coverage of self-employment and property income	334
19.4.1. Coverage of self-employment income	334
19.4.2. Coverage of interest, dividends and profit sharing	335
19.5. Adjusting EU-SILC survey data with national accounts data	336
19.5.1. Methods to adjust survey income data to external benchmarks	337
19.5.2. Results based on simple proportional scaling	338
19.5.3. Results based on semi-parametric modelling	339
19.6. Conclusions	341
References	341

20. Planned future developments of EU-SILC	343
(Estefanía Alaminos, Emilio Di Meglio, Didier Dupré, Sigita Grundiza and Agata Kaczmarek-Firth)	
20.1. Introduction	
20.2. Policy context	343
20.3. Modernisation of social statistics	344
20.4. Developments for EU-SILC	345
20.4.1. Purpose and motivation of the EU-SILC revision	345
20.4.2. Proposed changes to assess the impact of the COVID-19 crisis on household living conditions	346
20.4.3. EU-SILC revision	347
20.5. Conclusions	352
Appendix 1: Composition of Net-SILC3	353
Appendix 2: Abbreviations	354