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**Economic Commission for Europe****Conference of European Statisticians****Sixty-eighth plenary session**

Geneva, 22–24 June 2020

Item 4 (c) of the provisional agenda

**Reports, guidelines and recommendations prepared under the umbrella of the Conference:****Disaggregated poverty measurement****Poverty measurement: Guide to data disaggregation****Addendum****Results of the consultation on *Poverty measurement: Guide to data disaggregation*****Prepared by the Secretariat***Summary*

This document summarizes the comments made by members of the Conference of European Statisticians (CES) on *Poverty measurement: Guide to data disaggregation*. The Secretariat carried out an electronic consultation on the Guide in March–April 2020.

A total of 41 countries and 4 organizations replied to the consultation. There was general support for the main conclusions and recommendations made in the Guide and for the proposals for future work. Out of the 45 respondents, 43 expressed explicitly that the Guide is ready for endorsement at the CES plenary session, subject to incorporation of the comments made in the consultation. Two countries indicated that they do not have relevant experience in this area.

Countries and organizations also provided detailed comments. This document summarizes the comments and outlines how the Task Force Task Force on disaggregated poverty measures addressed them in the revised Guide, which is available on the [webpage](#) of the sixty-eighth CES plenary session.

In view of the support received, the Conference of European Statisticians is invited to endorse the revised *Poverty measurement: Guide to data disaggregation*.



## I. Introduction

1. The note summarizes the comments by members of the Conference of European Statisticians (CES) on the *Poverty measurement: Guide to data disaggregation*. The Secretariat carried out an electronic consultation on the recommendations in March–April 2020. The CES members were asked to structure their comments according to a set of questions on general and specific issues.

2. The Task Force on disaggregated poverty measures includes representatives from national statistical offices of Austria, Canada, Czechia, Italy, Mexico, Slovakia, Russian Federation, Switzerland, the United Kingdom of Great Britain and Northern Ireland, and the United States of America. The following international organizations and academic institutions are represented: Interstate Statistical Committee of the Commonwealth of Independent States (CIS-STAT), Eurostat, the Agency for Fundamental Rights of the European Union, the Organisation for Economic Co-operation and Development (OECD), the United Nations Development Programme (UNDP) Regional Bureau for Europe and the Commonwealth of Independent States, United Nations Children's Fund (UNICEF), United Nations Economic Commission for Europe (UNECE), World Bank, Oxford Poverty and Human Development Initiative (United Kingdom) and University of Siena. UNECE acts as Secretariat to the Task Force.

3. The Task Force considered the comments and suggestions provided in the consultation and revised the Guide.

## II. Summary

4. In the electronic consultation, responses were received from the following 45 countries and organizations: Albania, Armenia, Australia, Austria, Belarus, Belgium, Brazil, Bulgaria, Canada, Colombia, Croatia, Cyprus, Denmark, Estonia, Finland, Georgia, Germany, Hungary, Italy, Israel, Japan, Latvia, Lithuania, Malta, Mexico, Netherlands, Norway, Poland, Portugal, Republic of Moldova, Romania, Russian Federation, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Ukraine, United Kingdom, United States of America, European Central Bank (ECB), Eurostat, OECD and United Nations Statistics Division (UNSD).

5. Out of the 45 respondents, 43 expressed explicitly that the Guide is ready for endorsement at the CES plenary session, subject to incorporation of the comments made in the consultation. Two countries indicated that they do not have the relevant experience in this area.

6. The comments and the Task Force's response are summarized in sections III–V.

## III. General comments

7. Many countries expressed support to the Guide. Albania, Bulgaria, Colombia, Finland, Israel, Latvia, Lithuania, Mexico, Norway, Republic of Moldova, Serbia, Sweden, Switzerland, United Kingdom and UNSD found the Guide to be a useful, comprehensive and well-structured compendium, which motivates countries to produce more accurate disaggregation measures for poverty. Among others, countries noted its value in further developing comparable disaggregated poverty indicators and improving social statistics. Sweden appreciated the balance between methodology, good practice and identification of data gaps. United Kingdom believes this is an excellent document to assist countries in their poverty reporting. Switzerland acknowledged the comprehensive overview of existing good practices and the efforts to address important shortcomings in poverty measurement. Several countries emphasized the Guide's important role in providing clear, practical and user-friendly methodological and conceptual guidance, as well as a valuable discussion on data collection methods and on design and implementation of poverty related surveys. Albania and Ukraine considered the Guide a helpful tool in identifying vulnerable and difficult to

access groups, particularly in the context of achieving SDGs. Many countries expressed appreciation and congratulated the Task Force for its work.

#### IV. Comments on the Guide's recommendations

8. Bulgaria, Lithuania, Serbia, Slovakia and Switzerland found the recommendations useful, well-developed and comprehensive, and noted that they should be taken as an important guideline for the future work on poverty eradication.

9. Several countries indicated that many of the recommendations are in line with Eurostat guidelines and have been already implemented in the European countries. Slovakia has already introduced some of the recommended steps within the improvement of the quality and timeliness in their surveys at national level, for example using administrative data sources (tax registers), reconciling household survey data with the national accounts, and also using microsimulation as a possible source of data in a household budget survey. All poverty related data, derived from the surveys conducted by Serbia, are easily accessible and publicly available, in accordance with the Guide's recommendations. Disaggregated poverty indicators, including micro-data, are available to the Government, scientific community and other stakeholders, as an important source for policy making, researches and other production purposes.

10. Countries provided detailed comments on specific recommendations. Unless otherwise indicated, the Task Force took into account the comments in revising the Guide.

##### **Framing of the recommendations by the EU household statistics**

11. Portugal suggested the Guide's recommendations to be explicitly framed by the EU household statistics (EU-SILC).

12. Estonia pointed out that additional financial resources are needed to increase the sample size to produce more disaggregated data.

##### **Response by the Task Force**

13. The recommendations in CES guidance documents generally reflect the consensus of participating countries on the desirable course of action should a country decide to pursue this path. They are not legal obligations. National statistical capacities, laws and policy priorities vary, and it is well understood that not every country can implement all the recommended actions fully. Yet the Guide enables the interested countries to aim at what is considered best practice.

14. The Task Force added the following paragraph to Chapter I "Introduction" to recognise this concern:

*"Disaggregation of poverty measures may imply demanding sample size requirements and coverage (including e.g. rare, institutionalised or homeless populations). The provision of sufficient means and statistical capacity is therefore crucial. The Guide aims to inspire their best possible use but cannot substitute for the relevant legal and policy processes. This document should provide orientation for the whole UNECE region and may also be discussed by Working Groups on EU-level."*

15. The paragraph also makes reference to the point raised by Estonia regarding the need to financial resources. One of the reasons for having such a guide is to highlight needs which may currently not be met.

##### **Recommendation 11**

16. ECB offered to consider a less restrictive rephrasing of the recommendation on the use of substitutions. The strict conclusion to refrain from substitutions may not necessarily improve the quality of the sample. Using replacements may help draw information from groups of households that are most difficult to reach. In cases where administrative data on demographics, income and/or wealth are available it is also possible to select respondents with very similar characteristics as substitutes. Finland also noted that in the new

implementing regulation concerning EU-SILC (2019/2242) controlled substitutions of sample households or persons may be allowed (under strict rules).

***Response by the Task Force***

17. Substitutions inevitably reduce control over the survey process and can diminish quality, therefore the Task Force considers such practices undesirable. In surveys where substitution has nonetheless been allowed, such procedures must follow strict rules, such as making best possible use of auxiliary information. In such situations non-responding original units for which successful substitutions have been made are to be considered as ‘responding units’ for the purpose of determining non-response weights. The corresponding amendments have been made to section 4.2.4.1 “Design weights”.

**Recommendation 15**

18. Germany specified that the aim of poverty measurement is to ensure that vulnerable populations participate in the design of the study. However, this cannot ensure that these groups can benefit from its results, as this requires political measures.

***Response by the Task Force***

19. The phrase “can benefit” has been replaced with “have access to results”.

**Recommendation 17**

20. Finland noted that the term “adjustment factor” is not fully clear to them.

***Response by the Task Force***

21. The Task Force has clarified the recommendation.

***Recommendation 17:*** *Compensate for unit non-response and other sources of variation by applying a non-response adjustment and calibration. Ensure that these adjustments remain reasonable by imposing a maximum and minimum factor by which weights are multiplied (for instance between 1/3 and 3).*

**Recommendation 23**

22. Austria pointed out that results from imputed income components (STiK and imputed rent) would strongly depend on the methods chosen. When using them for disaggregation, it should be at least acknowledged that poor persons or households cannot live from imputed income for education or health income alone.

23. Finland mentioned that in earlier literature the most common goods and services included in STiK have been education, health, housing and childcare. They therefore did not expect that STiKs for food, shelter, clothing, and utilities were listed as particularly relevant for poverty measurement.

24. Eurostat suggested to exercise caution when adding STiK into the resources to assess their effect on reducing poverty.

***Response by the Task Force***

25. While developed nations provide large amounts of STiK for education, health and childcare, these sums are however not necessarily affecting the immediate experience of poverty. Therefore, the Guide emphasizes the STiK, which are most relevant for disaggregation.

26. Following the comment from Eurostat, the Task Force modified Recommendation 23g.

***Recommendation 23g:*** *Caution is needed when analysing STiK and their potential distributive consequences. If STiK are included in the resource measure, its value needs to be capped and by all means should not exceed the poverty threshold.*

27. In addition, the following clarification was added in Chapter 6 “Future Work – measuring what matters”:

*“Caution is needed when analysing STiK and their potential distributive consequences. If, for example, all of the resources are STiK, they cannot be assumed as convertible into an acceptable way of living. Otherwise poverty measurement would face the conceptual problem that individuals who happen to be well off according to their imputed resources may in reality be unable to fulfil daily needs which require cash. This is even aggravated for certain approaches of evaluating STiK by the amount of government spending (and not actual consumption). Furthermore, health related STiK (e.g. for cancer treatment) shall never be taken to lift e.g. a homeless person out of evident poverty.”*

28. The clarification has been added to paragraph 628 in section 6.1 “Pending problems in measurement of resources”.

#### **Recommendation 24**

29. Finland suggested to add dwelling characteristics along with housing cost and property value.

#### ***Response by the Task Force***

30. The Task Force reflected dwelling characteristics in the recommendation.

#### **Recommendation 29d**

31. Finland supports the recommendation and asked to mention also the need for data protection and confidentiality practices.

32. Eurostat noted that the questions from the 2010 EU-SILC module proved to be problematic in many Member States and were perceived to be sensitive by respondents, therefore Eurostat would not propose those questions as a basis to measure intra-household resource sharing.

33. OECD suggested to broaden the recommendation and include e.g. consumption expenditure measures. This is in line for instance with recommendation 27, which does not mention income and broadly refers to monetary resources.

#### ***Response by the Task Force***

34. Following the comments above, the recommendation was revised as follows:

*Recommendation 29d: To validate assumptions on within-household distribution of economic resources, these should be considered in combination with material living standards, wherever possible. Questions on sharing of personal economic resources and/or personal material living standard have been used in EU-SILC. Before such questions are adapted it should however be ensured by pre-tests that sharing of resources is not considered as sensitive by respondents.*

35. In addition, the Task Force has made adjustments to the recommendations to specify the type of poverty they refer to: monetary or nonmonetary poverty, where applicable. Clarification has been made that disaggregation by sex and age should be made for each household member and not only for the head of the household (recommendation 26a). Recommendation 28d on the use of differential weights in deprivation or poverty index has been further explained. The Task Force added a reference to the forthcoming UNECE work on intra-household power and decision making, as suggested.

## **V. Chapter-specific comments**

36. Several respondents provided more detailed comments on specific parts of the Guide. These are summarized by chapter in the following subsections. Some respondents also provided specific editorial remarks, which were taken into account in revising the Guide.

Albania, Malta, Portugal, and Serbia provided information on their activities in providing disaggregated poverty measures.

## **A. Chapter 1: Introduction**

37. OECD suggested to be made clearer that the Guide does not aim to provide a definition of poverty, although most of its content is confined within the boundaries of monetary indicators. For recommendations on the definition and measurement of poverty itself, the reader should be pointed to previous literature, including the UNECE Guide on Poverty Measurement.

### ***Response by the Task Force***

38. The Task Force amended the text to take account of the above points.

## **B. Chapter 2: Standard core variables for disaggregation**

39. Croatia appreciated Chapter 2 for its rather comprehensive overview of recommended core variables, which ideally should be used to the fullest extent in poverty measurement instruments. Slovakia supported defining standard core variables for disaggregation.

### **Human Rights-Based Approach to Data**

40. Brazil was doubtful whether the recommended Human Rights-Based Approach to Data (HRBAD) could be considered better (or worse) than the Capability approach and considered that this choice must be explicitly made by each country. Hungary appreciated HRBAD but noted that in many cases the desire for integration may push the respondents to claim themselves belonging to the majority of the population even when double or even triple ethnicity is allowed in a questionnaire.

### ***Response by the Task Force***

41. The mandate of the Task Force covers a broad range of topics. The Human Rights-Based Approach to Data (HRBAD) is a general code of conduct recommended by Office of the United Nations High Commissioner for Human Rights (OHCHR), which is of special importance in the context of disaggregation of poverty measures, e.g. among minority groups. By contrast, the Capability approach is one way of defining poverty, which should also naturally follow the principles of HRBAD when it comes to disaggregation. It is not the intention of the Guide to propose a new definition of poverty.

42. The importance of self-identification is at the basis of HRBAD. Self-identification means that statistical offices respect the freedom of respondents to choose the ethnicity for which they wish to be counted. This holds especially if this may perhaps imply an undercount against methods which would use “objective” criteria. Likewise, participation means for example that collection of ethnicity data is coordinated with ethnic communities, in particular concerning the names by which ethnic communities wish to be referred to in a questionnaire. Both examples also influence the level of trust and cooperation that is essential for any successful fieldwork. This clarification has been also added to the Guide.

### **Disaggregation variable “Sex”**

43. United States viewed as too simplified the recommendation to impute information on sex characteristics by attributing male and female interchangeably in the absence of such information. For the Census and the American Community Survey, United States use other information to impute sex, including the first names, age and relationship data. They can also use relationship to impute sex for spouses/unmarried partners. If age information exists, they do not impute interchangeably, as the sex ratio of the population changes markedly with age, from slightly over 1 (more males than females) at birth to heavily under (more females than males) in older age.

***Response by the Task Force***

44. The Task Force underlined that information on sex characteristics should be as complete and accurate as possible. A crude imputation of sex characteristics (as suggested by Census recommendations) may simply be allowed to be imputed for the purpose of disaggregation. The text has been amended to reflect this point.

**Disaggregation variable “Age”**

45. Portugal asked the recommended age category of 18–24 years to be revised, as it is difficult to implement in ageing countries.

46. ECB noted that the age category 0–17 (or the detailed age categories proposed in Box 2.5) does not allow the calculation of consumption units and consequently of equivalised income, a key concept in the measurement of income poverty, and suggested that a split between 0–13 and 14–17 would be essential for this purpose.

47. Canada proposed to note that poverty can vary greatly among older persons: there is evidence, at least in Canada, suggesting that poverty among the oldest persons was much higher.

***Response by the Task Force***

48. The Guide recommends minimum categories for disaggregation, that is, production of the estimates. This is different from the calculation of equivalised income, which happens at the level of microdata and can use different cut-off points.

49. This Guide defines the minimum number of categories for which poverty rates should be calculated. If sample sizes do not allow for a separate disaggregation of youth in the age group 18–24, poverty rates should alternatively be presented for broader categories, (e.g. combining youth and children). For the purpose of calculating consumption units and equivalised incomes it is advisable for each household to record the number of children at different age groups (e.g. 0–13 and 14–17) during data collection. The text has been amended to reflect this clarification.

50. The comment from Canada on the variation of poverty rates among elderly has been included.

**Disaggregation variable “Disability status” and “Ethnicity”**

51. Several countries considered the defining and subsequent measurement of variables “Disability status” and “Ethnicity” most challenging. Belarus and Portugal requested further guidance on the choice of a model for collecting disability data, which should also help to improve cross-country comparability. Colombia asked for a definition of an ethnic household given that the majority of poverty measures are calculated at household and not at individual level. OECD suggested adding that comparability on ethnicity data should be allowed over time and across sources.

***Response by the Task Force***

52. The Task Force revised section 2.2.3 “Disability status” to include a more thorough analysis on the existing methods. Which model to use also depends on the capacities. There is a clear preference for a simplified approach as in EU-SILC. Therefore, the Task Force now explicitly recommends the GALI reference question rather than the Washington Group. Although it has been questioned if a simple question such as the GALI instrument can be meaningful, it has been shown to provide valid data (see Van Oyen reference added).

53. Regarding the comment on “ethnic household”, the Task Force would like to reinforce the point that it is preferable to disaggregate poverty rates by individual characteristics, which are collected from questionnaires filled for each individual in a household (instead of only using characteristics of a reference person for the household). If no individual questionnaires are used, it is necessary to count the number of household members for each of the categories listed in the following sections in order to perform these disaggregations (see the introduction to section 2.2 “Defining variables for poverty disaggregation”).

54. As suggested by OECD, the Task Force added that “statistical categories should reflect demographic changes as well as evolutions in the understanding of ethnic identities, while remaining grounded in sufficient stability to allow comparability over time and across sources”.

#### **Disaggregation variable “Migratory status”**

55. Canada noted the importance of gathering information on the duration of stay in the reporting country to measure how well a migrant integrates into their residing country and which may be negatively correlated with their poverty incidence. Another suggestion concerned collection of data on the way a migrant obtained their current status. One emerging need is to gauge the poverty status of the recent Syrian refugees across member countries. OECD suggested to separate the migratory status between first and second generation, in case information on the year of arrival and/or on parents’ country of birth is available.

#### ***Response by the Task Force***

56. The Guide mentions the duration of stay in the introduction of section 2.2.4 “Migratory status”. To highlight this important argument, the Task Force added that both variables – country of birth and country of main citizenship – should be complemented by information on the number of years of residence in or citizenship of the country.

57. The Task Force agrees with introducing also a distinction between first- and second-generation immigrants. The following text was added:

*“Even further disaggregation is possible, if information on the year of arrival and/or on parents’ country of birth is available. ‘First-generation immigrants’ are people born in a country other than their country of residence and whose residence period in the host country is, or is expected to be, at least 12 months. ‘Second-generation immigrants’ are native-born persons with at least one foreign-born parent.”*

#### **Disaggregation variable “Household type”**

58. ECB suggested the section to start by defining 1) the household, and 2) the reference person who is used for the calculation of household level variables that are based on the characteristics of one household member, and recommended the use of standard international guidelines (e.g. Canberra group) for these.

#### ***Response by the Task Force***

59. In the Guide, the Task Force does not attempt to formulate any new definition of household rather it would like to show how to classify these households, once defined. Canberra group definition is referenced in the previous UNECE Guide on Poverty Measurement. The following mention has been added: “The Guide on Poverty Measurement (UNECE 2017a, p. 27) made an appropriate reference to the housekeeping concept as inherent in the definition of a household in the Canberra Group Handbook (UNECE 2011, p. 64).”

#### **Disaggregation variable “Employment status”**

60. Brazil pointed out the difficulty to get the employment status with only one question, especially in countries with large informal labour market.

#### ***Response by the Task Force***

61. The Guide only suggests a minimum set of variables for disaggregation. The disaggregations proposed are not primarily designed to explain poverty but rather to place the focus on the most important target groups for monitoring SDGs. The Task Force has rephrased Recommendation 2 to make these points clearer.

#### **Receipt of cash (or near cash) social transfers**

62. Switzerland suggested to refer to the main source of household income when classifying households receiving social transfers. In Switzerland (and presumably in many

other countries), many transfers are not means-tested and thus most households receive social transfers, which makes the distinction between receiving and not receiving social transfers less meaningful. An alternative could be to distinguish households receiving means-tested transfers from those who don't.

***Response by the Task Force***

63. “Households classified as those with social benefits as the main source of income and those with the main source of income other than social benefits” is one of the options for refinement listed in section 2.2.9. “Receipt of cash (and near cash) social transfers”.

**Other comments**

64. Canada collects data on population groups to identify if a person belongs to the visible minority population. Researchers may use that information to define a race variable using their own definitions.

***Response by the Task Force***

65. The Task Force revised Box. 2.4 as per the comment from Canada. In addition, the Task Force made it clearer that the suggested disaggregation variables should be considered for all members of a household and not only for household heads. It edited the explanation of variable “Ethnicity” as target groups of ethnic minorities instead of target groups defined by ethnicity or race, as suggested by OECD.

## **C. Chapter 3: Including hard to reach groups in poverty measurement**

66. Serbia noted that the hard to reach groups of the population present the biggest challenge in reducing poverty because of their inadequate coverage. They found encouraging the efforts to improve the inclusiveness of hard to reach groups and to provide a detailed guide on data collection and survey implementation. Estonia highlighted the importance of calculating poverty rates for institutional households.

**Defining reference population**

67. Eurostat agrees with the chapter and proposed recommendations. Eurostat understands the importance of collecting information on the most vulnerable and hard to reach populations, and to make an effort to collect information when possible. In 2018, EU-SILC for the first time and on voluntary basis collected information on past experiences of homelessness. This information is planned to be also collected in the revised EU-SILC every 6 years. However, some information e.g. ethnicity, cannot be easily collected in EU-SILC and other large-scale surveys in the European Statistical System due to legal limitations in some countries.

68. Malta could provide information, where possible, on specific groups in the society, such as on persons with disability and hard to reach groups, such as immigrants and foreigners residing and working in Malta. In certain cases, Malta would not be able to take on board certain recommendations as the EU-SILC regulation clearly states the survey covers only persons living in private households and not homeless persons or persons living in institutions.

***Response by the Task Force***

69. The Task Force recognises the legal aspect in defining the reference population and added the following paragraph to reflect the comment from Malta:

*“Sometimes, legal frameworks for measuring poverty (including e.g. EU-SILC) define the population living in private households as a reference population, which excludes some of the most vulnerable populations such as the homeless or persons living in institutions. This apparent shortcoming reflects practical difficulties of data collection.”*

70. Furthermore, as Eurostat noted above, the work on extending the survey coverage of vulnerable groups is in progress. This is also reflected in section 3.6.4 “Implementation in EU-SILC”.

#### **Small area estimation**

71. Finland commented that the development and use of methods for providing (more reliable) estimates on small population groups based on ongoing surveys and available data sets and data sources (e.g. small area estimation) have not been mentioned in the recommendations.

#### ***Response by the Task Force***

72. Lack of coverage cannot be mitigated by small area estimation. This topic is addressed in Chapter 4 “Assessing and Improving Survey Methods”.

#### **Special surveys dedicated to small groups**

73. Hungary pointed out that launching special surveys dedicated to very small social groups are a costly, time consuming and precise task. In many cases, the statistical office does not have budget, staff or expertise for that. Special UN financed programs could help those initiatives.

#### ***Response by the Task Force***

74. Although it remains a national responsibility, international organisations do support the collection of data in developing countries (see the examples e.g. UN and EU funded Roma surveys). The text in section 3.3.2 “Special survey programmes” has been amended to stress that special survey programmes need to be considered as national statistical offices may often lack budget and capacities to achieve coverage for very small social groups.

#### **Homeless living in hotels**

75. Switzerland found the example from United Kingdom on including non-private household population interesting. They would like to know how distinction was made between homeless living in hotels and tourists.

#### ***Response by the Task Force***

76. The figure of homeless living in hotels was based on the triangulation of a number of sources, including the Census, which estimates the number of residents (excluding tourists) staying in these forms of accommodation. More information is available from the report of a scoping study on this topic.<sup>1</sup> The link is included in the Guide.

#### **Systemic and reliable data on hard-to-reach groups**

77. Portugal envisaged difficulties about getting systematic and reliable data on ethnicity, hard to reach groups and minorities (including disabled people) unless a first step population data collection is implemented.

#### ***Response by the Task Force***

78. The issue of obtaining data on hard-to-reach groups as mentioned by Portugal is addressed in Recommendation 6.

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<sup>1</sup> <https://pureapps2.hw.ac.uk/ws/portalfiles/portal/23481268/NonHouseholdReport.pdf>, from page 117 onwards.

**Systemic and reliable data on hard-to-reach groups**

79. Switzerland informed that they have implemented the 2018 EU-SILC ad hoc module on past episodes of homelessness and housing difficulties.

***Response by the Task Force***

80. The information on the countries that implemented in the recent 2018 EU-SILC ad hoc module on past episodes of homelessness and housing difficulties has been updated.

**D. Chapter 4: Assessing and improving survey methods**

81. Portugal stressed that the contents of this chapter should be a basis for all people working in statistical production.

82. Malta emphasised that quality reports are very important when using statistical information and is in full agreement with the recommendations suggesting better coverage and improved precision tools. Malta also agrees with the use of administrative data, where possible, monitoring of the field work and the application of non-response adjustment and calibration measures (already in place in Malta). Malta publishes confidence intervals and coefficient of variations with every local release and annual quality reports.

**Sample size**

83. Hungary noted that the rule of thumb sample size requirement simply stating the recommendation of not less than 50 observation unit in a stratification unit does not take into account the differences in population size by territorial and social economic splits. It could be advisable to move forward to the more modern approach of defining a sample size on the basis of the outcome indicators, the so-called effective sample size criteria.

***Response by the Task Force***

84. The recommendation addresses minimum number of sampling units per stratum for disaggregation as a rule of thumb. Effective sample size is typically used to determine the total number of sampling units to meet precision requirements usually for the full sample (considering the design effect). This is not exactly what is meant here. The Task Force only suggests: a) that stratification of samples should anticipate disaggregation whenever possible, and b) the strata should have a minimum number of observations – this could even be detrimental to the overall effective sample size, e.g. when disproportionately large parts of the sample are allocated to small groups. As acknowledged, however, this rule of thumb should encourage careful sample planning. References are given, including the Annex to the regulation as well as paragraph 381 and the Eurostat manual on precision requirements (Eurostat 2013b).

**Sharing software**

85. Slovakia suggested that national statistical offices share more programs/software among themselves. For example, in this chapter the national statistics office of Austria uploaded a Github freeware tool to calculate variance in EU-SILC. Slovakia has also created and shared a freeware tool for calibration of weights for statistical sample surveys.

***Response by the Task Force***

86. Reference has been made to the freeware “Graphical User Interface for the R-software” developed by Slovakia.

**Other comments**

87. OECD remarked that France and Norway are an exception to the general rule described in the text in Box 4.8 “EU-SILC Sample Design”.

*Response by the Task Force*

88. The Task Force edited the text to reflect the exceptions mentioned by OECD.

**E. Chapter 5: Supplemental or experimental poverty measures**

89. Switzerland supported the use of individual questions on material deprivation and agreed that estimates should also be differentiable by sex as specified in the text. Slovakia noted their experience with the implementation of the 2010 EU-SILC ad-hoc module on intra-household sharing of resources and also with questions on measurement of deprivation at individual level within EU-SILC. They appreciated the elaborated overview and the provided findings and sources on the topic. Croatia found the chapter very interesting and informative, especially the part related to STiK and their impact on statistical measurements.

**Harmonized standards**

90. Portugal considered chapter 5 important although its contents imply new broad discussions before harmonized standards are agreed.

*Response by the Task Force*

91. The Task Force reflected in the introduction to the chapter that harmonized standards do not necessarily give satisfactory answers. Nonetheless disaggregation of poverty measures requires careful assessment how it is affected by the methodological issues underlying these questions.

**STiK and national accounts**

92. Israel does not use field work (surveys, interviews, observations) or administrative files to complete the in-kind data, rather they use the aggregate summarized from the national accounts. Likewise, Hungary recommended a closer look at macro level (national accounts) since measuring the effect of STiK on micro level is a very demanding issue. They would appreciate adding a specific reference for these methods.

*Response by the Task Force*

93. The Task Force acknowledged the comments on aggregate level assessment of STiK. It amended the text to note that the total value of STiK is recorded in national accounts or other aggregate sources and that based on this information it is possible to make imputations to obtain estimates on the individual level (Aaberge et al 2017). Any adjustments however regarding resources, which at best are known only on an aggregate level will inevitably require critical assumptions on their distribution (see Section 6.1. “Pending problems in measurement of resources”).

**Spatial prices differences**

94. Brazil asked for more information on spatial prices differences. It is very common to have data about price differences in time, but spatial price indexes are not common in many countries, even in large ones.

*Response by the Task Force*

95. Current examples in 5.1.1. “Spatial differences within countries with regard to consumption and income poverty” describe solutions for the Russian Federation, Canada, the United States and the European Union, which even point beyond spatial price differences, taking into account e.g. differences in needs regarding climate or different baskets of goods. The section also provides references.

**Measurement of public health services**

96. Brazil requested more detail on the measurement of public health services.

***Response by the Task Force***

97. This is reflected with the example of United Kingdom in section 5.2.1.1 “Measuring social transfers in kind: United Kingdom”, including further references.

**Measures of multidimensional poverty**

98. Brazil noted that the Guide lists three measures of multidimensional poverty but not the best disaggregations for those measures or issues with them.

***Response by the Task Force***

99. The three multidimensional poverty measures highlighted in section 5.2.5 “Going beyond income: The role of multidimensional poverty measures” have to be understood as different schools of thought, or strands, which cover a broad range of implementations. Each of these strands offers different strategies for implementation and no general recommendation can be given which one is more promising for disaggregation. The background and specific problems are briefly summarised in the section. The Task Force amended the text to reflect this clarification.

**Threshold of 70 per cent of median**

100. United States asked about the results for above/below 70 per cent of median with regard to the relationship of deprivation index and income among two-person households in Austria (figure 5.3).

***Response by the Task Force***

101. Austria tested several thresholds, however it found that the threshold of 60 per cent was the most discriminatory for their country case. The explanation was added to Box 5.1.

**Asset-based poverty**

102. Switzerland welcomed the inclusion of asset-based poverty and found the separation between the impact of housing wealth and liquid assets well thought. However, most of the discussion is included in the example using Swiss data only. Switzerland believes this topic is too important to be included only as a part of a country-level case study and would deserve more general description of methodological choices in the Guide.

***Response by the Task Force***

103. There is a growing research interest on both national and international level on the topic of asset-based poverty, however, the Task Force is currently aware only of the country experience of Switzerland in this area. The text was amended to clarify that the empirical illustrations for asset poverty mainly refer to Switzerland, but this topic can be assumed to be especially pertinent for all high-income countries.

**Eurostat-OECD Expert Group**

104. OECD noted that for most of the countries covered in the Household Finance and Consumption Survey (HFCS), income is reported as gross income (with the exception of Italy and Finland, where disposable income is used). The work of the Eurostat-OECD Expert Group on measuring the joint distribution of income, consumption and wealth is circumventing this issue by performing statistical matching between different statistical sources (e.g. HFCS and EU-SILC).

***Response by the Task Force***

105. The Task Force made a reference to the work of the Eurostat-OECD Expert Group on measuring the joint distribution of income, consumption and wealth.

## **F. Chapter 6: Future work – measuring what matters**

106. Croatia found satisfying the recognition of the important role of EU-SILC, as it is certainly one of the cornerstones of current and future development. Usage of registers is also one of the most topical issues, and its presentation in the context of poverty measurements is very welcome.

### **Purpose of the chapter**

107. Portugal questioned the inclusion of the chapter in the Guide. It considered it more as a chapter on issues to be addressed and defined in the future, or issues already mentioned in previous chapters but not closed.

### ***Response by the Task Force***

108. The purpose of the “Future work” chapter is to provide a quick reference to issues that remain a challenge. In the course of the work, every CES task force encounters a wide range of important and relevant issues, which cannot be resolved within the given mandate and are usually summarized in a separate chapter. This chapter will be considered by CES and its Bureau for launching follow-up work in any of these areas. It is therefore important that the issues are briefly explained.

### **Respondent model**

109. Sweden noted that the selected respondent model under section 6.5 “Use of registers” is described partly incorrectly. Although one person per household is interviewed, the information on cohabitants is not exclusively derived from registers. For example, information on labour participation for the cohabitant is collected from the selected respondent. Additionally, the use of the selected respondent method does not affect the estimates at all, as the sampling is done at individual level and the estimates reflect different age groups, sex, household types etc at national level. They suggested that the last sentence starting “This model differs...” is deleted, and that the sentence starting “In particular...” is rephrased to: “Some countries have chosen to design their samples according to the selected respondent model, in which only one person per household is interviewed.”

### ***Response by the Task Force***

110. The Task Force has revised the paragraph on selected respondent model as suggested by Sweden.

## **G. Additional comments**

111. Both Switzerland and OECD noted that confidence intervals for graphs should be made available to users. The Task Force agrees, unfortunately no examples were provided.

112. The Task Force included an additional box by United States on their experience with Small Area Income and Poverty (SAIPE) program.

## **VI. Proposal to the Conference**

113. The Conference is invited to endorse the revised guide “*Poverty measurement: Guide to data disaggregation*”.

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