Measuring Poverty in the European Union
Lessons Learnt in Austria

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Our Progress in a Nutshell

- Data Needs Determined upon Questions
- From rhetoric to quantifiable targets
- Consumption => Income
- ECHP => EU-SILC
- Specific Legal Governance
- Modern Methods of Data Collection (incl. Registers)
- Data => Reports and Indicators
- National Struggles => Cooperation in Networks (NETSILC)
Some examples:

- How unequal are household incomes distributed?
- What income share comes from income from work?
- What is the relative situation of families/elderly?
- Consequences for daily life, health & happiness?
- How much are tenants burdened by their rents?
- How much poverty is there in a rich country?
- Is everyone at the same risk and for how long?
- Is poverty transferred from parents to children?

Enormous data gaps in Austrian statistics before accession to the European Union
From Rhetoric to Quantifiable Targets

1995 Austria becomes a Member of the European Union

1999 Treaty of Amsterdam: Social Politics enter EU Agenda

2000 Lisbon Strategy: “significantly reduce poverty“

2001/2003 Laeken Indicators and EU-SILC Regulation

2010 Europe 2020 target „reduce risk group by 20 million“

More coordinated growth

BUT for social goals:

Mainly reporting & indicators

⇒ National Implementation

⇒ Austria wants to lift 235,000
Early EC & AT poverty reports in 1980s using consumption appeared to depend strongly on life cycle (relatively high rates among elderly)

- Comprehensive monetization of production in industrialized economies (decreasing own/domestic production)
- Increased recognition of social & tax policies (e.g., by OECD)
- Comparative income data (Luxembourg Income Study)
- Standards for income statistics (ICLS/Canberra Group)
- Poverty understood as social process driven by resources

Individuals, families, and groups in the population can be said to be in poverty when they lack the resources to obtain the types of diet, participate in the activities, and have the living conditions and amenities which are customary, or at least widely encouraged or approved, in the societies to which they belong. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary patterns, customs and activities. (Townsend ‘79)
From ECHP to EU-SILC

- 1994 ECHP launched to support European Social Agenda
- Eurostat co-financed diverse National Data Collection Units
- Panel survey design to support analysis of exclusion
- Strong collaboration with researchers
- Relatively weak role of statistical offices, quality constraints of cross-sectional estimates e.g. due to panel attrition
- Comparative survey to compete with national programmes, e.g. GSOEP, BHPS, multisource statistics in Nordic countries
- Terminated in 2001, major (!) break in series
- Desire to make poverty statistics even more „official“ and establish conventions on methodological issues (e.g. scale of equivalence, income thresholds)
Specific Legal Governance

- **Implementing regulations** endorsed by EU Commission / decision of Directors General (ESSC)
  - e.g. Definitions;
  - Fieldwork & imputation procedures;
  - Sampling & tracing rules;
  - List of Variables;
  - Quality reports
- **National Regulations** e.g. Austrian Social Ministry (ELStV, BGBL. 277/II/2010)
- **Future:** Integrated European Social Statistics (IESS)
  - Harmonisation between 6+2 household surveys & more flexibility (?)
Modern Methods of Data Collection

2003 Cross sectional survey
2004 Start of integrated rotational design
2005
2006
2007 Beginning of in-house field work
2008 Mixed Mode Design, field work 100% in-house national financing (before: 2/3 Eurostat)
2009
2010 National regulation
2011 Register use (for pension variables only)
2012 Extensive register use
2013
2014
2015
2016
2017 New survey infrastructure
2018 Modular questionnaire design and CAWI
2019 New European Legal Act?

Rotational design

Some numbers...

Min. effective sample size: 4,500 (cross-sectional)
3,250 (longitudinal) HHs.

Actual sample size reached: ~6,000 HHs net/ year

4 wave panel: ~1,200 HHs

Voluntary participation, all persons aged 16+ are surveyed
Proxy rate ~ 10%

Since 2012: 85% of total sum of household income from registers
From Data Transmissions to Dissemination

Press release: 11.257-068/16

Poverty or social exclusion in 2015: more than 1.5 million persons in Austria were affected

Vienna, 2016-04-14 – 1 551 000 persons or 18.3% of the population in Austria have been at risk of poverty or social exclusion in 2015, as Statistics Austria reports. These persons had low household income, were severely materially deprived or lived in households with low work intensity. A quarter of those affected (385 000 persons) were confronted with more than one of these social risks. According to the EU-Statistics on Income and Living Conditions (EU-SILC), the number of persons at risk of poverty or social exclusion in Austria has declined by 148 000 persons since 2008.

Nevertheless, there is still a high risk of getting in a socially disadvantageous position for certain groups of the population, e.g. single-parent households (42% at risk), families with three or more children (29%), the long-term unemployed (67% for people with at least 12 months of unemployment), persons with a non EU/EFTA citizenship (46%) and those with a low level of formal education (28%). Also, 380 000 children and young persons under 20 years (22% of that age group) lived in households that were at risk of poverty or social exclusion and thus experienced a lack of possibilities for social participation.

For more detailed information please refer to the German version.

Short English content:  

More detailed German Version:  
http://www.statistik.at/web_de/statistiken/menschen_und_gesellschaft/soziales/armut_und_soziale_eingliederung/index.html
Indicators on Europe 2020 Target Group

- Only one criterion: 1,167,000 individuals
- Two or more criteria: 385,000 individuals
- Total Risk Group: 1,551,000 individuals

- Risk of poverty: 1,178,000 (13.9%)
  - Severe Material Deprivation: 302,000 (3.6%)
  - Low work intensity: 526,000 (8.2%)

- 95,000
- 70,000
- 188,000
Development of Europe 2020 Target Group

Risk of poverty or social exclusion


www.statistik.at
A dashboard of additional national indicators is regularly produced by statistics Austria for a broad plattform of stakeholders from civil society and is used in reports by the ministry.
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Thank you for your attention!