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Towards revised content of future EU SILC

Prepared by Eurostat¹

Abstract

EU Statistics on Income and Living conditions (EU SILC) is the EU reference source for comparative statistics on income distribution and social inclusion. It currently undergoes a complete review of its content and methodology as part of a broader project on modernisation of EU social statistics. The paper presents the proposed content of future EU SILC in view of further harmonisation of measures based on income and living conditions data in the EU (and other countries) and its usability as a source for measuring multidimensional poverty. It describes on-going activities on developing and testing future rolling modules in EU SILC and new indicator on material deprivation.

¹ Mr. Jakub Hrkal, Mr. Emilio Di Meglio, Ms. Agata Kaczmarek-Firth and Mr. Didier Dupré.

1. Introduction

1.1 Current content and use of EU-SILC

EU-SILC is a statistical data collection focused on income but covering also other domains of living conditions and their determinants, which enables the analysis of the multidimensional phenomena of poverty and social exclusion, and for the joint analysis of its different dimensions. It has been gradually implemented since 2003 and currently provides annual data for EU 28 member states, Iceland, Norway, Switzerland and some other countries².

EU-SILC defines the harmonised lists of target variables, common guidelines and procedures, common concepts and classifications aimed at maximising comparability of the information produced. It consists of primary and secondary target variables which are collected at two different levels, the household and the individual level (for persons aged 16 or more).

The primary target variables are collected every year and cover the following domains:

- At household level: basic/core data, income, housing, material deprivation.
- At personal level: basic/demographic data, income, education, labour and health.

Secondary variables are collected every five years or less frequently in the so-called ad-hoc modules. Ad-hoc modules are included each year since 2005 in order to complement the variables permanently collected in EU-SILC with supplementary variables highlighting unexplored aspects of social exclusion. The modules implemented between 2005-2015 and for which data have already been disseminated covered the following topics: inter-generational transmission of poverty and of disadvantages, over-indebtedness and financial exclusion, housing conditions, material deprivation, intra-household sharing of resources, social and cultural participation and well-being³.

EU-SILC, as an EU reference source for comparative statistics on income distribution and social inclusion, is used for monitoring various EU policies and in particular to monitor the poverty reduction headline target of the Europe 2020 strategy⁴.

1.2 Revision of EU-SILC in the context of modernisation of social statistics

EU-SILC currently undergoes a complete review of its content and methodology as part of a broader project on modernisation of EU social statistics. The project reflects upon challenges for official statistics, and in particular for social statistics, generated as a consequence of the latest financial and economic crisis. Policy needs for statistics on poverty and social exclusion consist of:

- Covering more areas for social policy actions at EU and national levels and increasing cross-cutting analyses in such domains;
- Getting more timely data, in particular on poverty and inequalities;
- Analysing better dynamics in the area of poverty and social inclusion;
- Ensuring the accuracy of the measurements and their evolution over time and developing precise data at regional level for monitoring and allocating funds;
- And more generally, continuing to increase the quality of statistics on income and living conditions throughout the EU.

The project, following the framework of the Wiesbaden Memorandum⁵, aims not only at answering increasing data requests but also at rationalisation needs in times of resource constraints. Better integration and standardisation of data collection tools and improved statistical processes should be key elements in this process and the revision of SILC one of its main drivers.

² Montenegro, The former Yugoslav Republic of Macedonia, Serbia and Turkey.

³ <http://ec.europa.eu/eurostat/web/income-and-living-conditions/data/ad-hoc-modules>

⁴ <http://ec.europa.eu/eurostat/web/europe-2020-indicators/europe-2020-strategy/targets>

⁵ https://www.destatis.de/EN/AboutUs/Events/DGINS/Document_Memorandum.pdf?blob=publicationFile

For the re-designing of EU-SILC the Task-Force (TF) on the revision of the EU-SILC legal basis was set up in May 2011. It was composed of national SILC data providers, Eurostat and users of the Indicators Sub-Group of the Social Protection Committee (ISG-SPC) and scientific community, as well as relevant Directorates General (DGs) of the European Commission. The TF meets about twice a year and in total met so far 14 times from October 2011 and April 2017. The TF discusses various elements of SILC, which are further proposed for discussion of the Working Group (WG) on Income and Living conditions. Developments of SILC are also conducted via the NetSILC3 project, which supports a network of national statistical institutes and academics in the context of the continuous improvements of SILC.

The work on the development of future SILC would continue and be a part of development of a new common framework for producing European statistics on persons and households based on data at individual level collected from samples called Integrated European Social Statistics (IESS). The IESS framework regulation is aiming at increasing the integration and consistency of social data, which is needed by researchers and other users from both public and private sector.

The standardisation of the variables used in social statistics is an essential condition for many modernisation activities. The usage of standardised variables will generate efficiency gains throughout the statistical cycle, ranging from data collection, data processing and estimation to dissemination. In order to increase comparability between surveys an exercise aiming at standardising variables across surveys has been launched.

The scope of the project of standardised variables covers all social micro-data collections concerning households/persons, including: Statistics on Income and Living Conditions (EU-SILC), Labour Force Survey (EU-LFS), Household Budget Survey (HBS), Adult Education Survey (AES), European Health Interview Survey (EHIS), Harmonised European Time Use Survey (HETUS), and Survey on Information and Communication Technology usage in households (ICT HH).

Standardised variables include a selection of key variables present in at least two EU social micro-data collections. Core variables correspond to a subset of these standardised variables: they are included in all the social micro-data collections mentioned above.

1.3 Purpose of the paper

The purpose of the paper is to provide the state of play regarding the development of future content of EU-SILC as of mid-2017. This paper presents in chapter 2 a proposal for the content of future EU SILC, including its general structure and providing details on the content of modules. Chapter 3 presents the process of developing future EU SILC modules, including qualitative pre-testing and quantitative testing via SILC ad-hoc modules 2016-2019. Chapter 4 provides details on developing a new indicator on material deprivation.

2. Proposal for the content of future EU SILC

2.1 A general structure of future SILC

The main policy requests regarding the content of EU-SILC were about covering more areas for social policy actions at EU and national levels and increasing cross-cutting analyses in such domains while being feasible within the European Statistical System (ESS).

For this purpose, the proposal relies on a structure that limits the annual component of EU-SILC to data for main policy indicators and complements it by a two-speed set of rolling non-annual modules that enables covering more topics (i.e. keeping a cross-cutting approach) although not every year, with an appropriate speed for each of them and with flexibility for introducing new policy needs.

The future EU-SILC will be made up of different elements:

- A “nucleus” that is the group of variables to be collected every year;
- A “first wave” variables meaning the variables that do not need yearly update and for that reason they will be collected only at the first wave;
- Three-yearly rolling module referring to a group of variables on the same topic to be collected every 3 years;

- Six-yearly rolling module, the variables collected every 6 years.

The process of revision of the content of EU-SILC will need to be aligned with ongoing developments regarding the project on standardisation of social variables. Discussions will also continue on the concrete list of variables for each module and their detailed description.

Nucleus and first wave variables

In the revised EU-SILC, the annually collected variables will provide key information on income, labour, material deprivation, health, childcare, education, housing and quality of life. The set of variables included in the Nucleus will enable yearly calculations of the main EU policy indicators. Moreover, the standardised and core social variables will be collected in SILC in Nucleus or in the first wave.

The revised Nucleus (including first wave variables) will contain fewer annual variables in the questionnaire (i.e. collected either from the respondent or extracted from registers whenever possible) than currently. The space left after reducing list of annual variables will be used for the future rolling modules.

Rolling modules

The implementation of the rolling modules is a part of the revision of the EU SILC legal basis and widely of the modernisation of social statistics. Such modules will be collected on a regular basis every 3 years or 6 years with the aim at monitoring structural phenomena and also at complementing the information collected by the SILC instrument through its other parts (Nucleus and first wave). Each module will consist of approximately 20 variables. The topics have been agreed, however the discussion on a final list of variables has not yet been closed.

The 3-yearly rolling modules will be dedicated to the four high policy importance domains for which data are necessary on more regular basis:

- Children
- Labour and housing
- Health.

While concerning the 6-yearly rolling modules it is proposed to cover the following topics (provided the ongoing tests are successful):

- Over-indebtedness, consumption and wealth
- Access to services
- Intergenerational transmission of disadvantages and housing difficulties
- Quality of life (consisting of well-being as well as social and cultural participation variables)
- Plus three free slots for any potential new policy needs.

Planning of the order and timing of modules was an important element in designing future content of SILC. It aimed at putting together whenever possible topics with synergies and overlap. The main principles in defining the calendar were:

- 3-yearly module on health should take place at the same year of the 6-yearly module on quality of life and also a same year as the European Health Interview Survey (EHIS) to benefit linking data and benefiting from their complementarity;
- 3-yearly module on Children and 6-yearly module on Access to services (including part on childcare) should be implemented at the same year;
- If possible, timing of the Household Budget Survey (HBS) and The Eurosystem Household Finance and Consumption Survey conducted by European Central Bank should be taken into account.

The tentative distribution of the topics among the 3-yearly and the 6-yearly modules is shown in the table below:

Nucleus (all years)	Year	Three-yearly modules	Six-yearly modules
Income	1	Labour & housing conditions	Over-indebtedness, consumption and wealth
Material deprivation			
Economic activity		Children	New policy needs 1
Demography			
Education		Health	Quality of life
Child care			
Housing costs		Labour & housing conditions	Intergenerational transmission of disadvantages & Housing difficulties/New policy 2
Health			
Quality of life		Children	Access to services
Miscellaneous			
Technical variables	6	Health	New policy needs 3

2.2 Defining future rolling modules of EU SILC

The work on defining and developing future SILC modules was performed in parallel, with more focus on defining the annual module (nucleus) at the beginning, followed by 3-yearly modules and finally focusing concrete content of 6-yearly modules. This part provides more details about the development and tentative content of future rolling (3-yearly and 6-yearly) modules of EU-SILC.

Three-yearly modules

Three-yearly modules should consist of:

- Variables currently in the core annual SILC (Primary variables) that could be collected less frequently than every year but would still need a relative frequent periodicity for collection, in particular for policy indicators needs;
- Variables reflecting future needs for new indicators from SILC data and to be collected relatively frequently.

The **module on children** would cover the following topics:

- Children material deprivation: the new variables adopted for the 2014 ad-hoc module⁶ and 2013 ESS agreement;
- Unmet needs of childcare: variables answering the request from the ISG-SPC;
- Health and unmet needs for health care of children: variables related to child poverty considering health and early childhood. The variables were developed so that they are consistent with similar variables for adults⁷.

The **module on labour and housing conditions** would cover the topics related to:

- Employment status;
- Previous work experience;
- Characteristics of current workplace and working conditions;
- Housing costs and conditions;
- Living environment.

⁶ <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32013R0112&from=EN>

⁷ For more information see current annual SILC variables PH010, PH030, PH040-PH060.

This module would consist of variables on labour excluded from the Nucleus but needed on a relatively high frequency for important policy indicators and/or for microsimulation needs; and variables on housing conditions excluded from the Nucleus but needed on a relatively high frequency for important policy indicators.

As of mid-2017, variables for the module on labour and housing conditions are classified according to priority levels and further short-listing needs to be done.

While variables for the 3-yearly module on children and housing conditions and labour had already been largely developed in the context of current SILC, those for the **module on health** were still to be defined. This development was steered by Eurostat together with the TF on EU-SILC revision as a part of the integrated system of health modules in the framework of the modernisation of social surveys, taking into account policy needs from indicators groups in the area of health and social affairs (European Core Health Indicators - ECHI and ISG-SPC).

The criteria considered for the selection of health variables were:

- responsiveness to policy needs (possibility to construct important EU indicator, enabling monitoring the impact of policy interventions);
- data availability (unavailability of data from other sources, need for a higher periodicity of data collection);
- methodology (usefulness of crossings with other SILC variables, relevance and technical appropriateness in SILC, coherence with EHIS⁸).

The proposal was discussed several times with TF and WG and its version for testing finalized in 2014. It covers the following health topics:

- Health status and disability (functional limitations) to strengthen health/disability content of SILC;
- Health care (use of formal services and financial burden of health care) to complement current variables on access to health care;
- Health determinants (body mass index, physical activity, consumption of fruit and vegetables, smoking and alcohol consumption) to extend the scope of SILC for important behavioural risk factors and enable cross-analysis with living conditions and quality of life.

Six-yearly modules

The stage of development of 6-yearly rolling modules was less mature in mid-2017 than it was for 3-yearly modules. These modules should target well validated variables from past-experiences of ad-hoc modules and be complemented by duly tested new variables.

The proposal for module on **Over-indebtedness, consumption and wealth** was structured as follows:

- Over-indebtedness (cost of utilities, non-housing bills, other loans/credits, measures to alleviate impact of over-indebtedness);
- Consumption (main consumption components);
- Wealth (real and financial assets).

The **module on quality of life, social & cultural participation** is supposed to be composed of topics on:

- Life satisfaction;
- Mental well-being;
- Social participation (participation in voluntary activities, personal contacts);
- Cultural participation (participation in cultural or sport activities and events).

⁸ Deviations from EHIS should be allowed only in justified cases, for example to align with SILC practices (reference periods).

The **module on access to services** would cover the following topics:

- Childcare;
- Formal education and training;
- Lifelong learning;
- Health and home care.

The **module on Intergenerational transmission of disadvantages & housing difficulties** is structured as follows:

- Socio-demographic characteristics of parents and characteristics of household;
- Economic and living conditions in childhood;
- Housing difficulties.

Regarding the three free slots for **modules on new policy needs** (two full modules and one-half module), possible topics were still subject to discussion with policy DGs of the Commission and a set of concrete proposals would be presented in Income and Living conditions WG in November 2017.

3. Preparation of future EU SILC modules

This chapter presents the process of preparation of variables for future SILC consisting of qualitative pre-testing and full-scope testing via SILC ad hoc modules.

Eurostat together with TF and data users developed for each future SILC module concrete list of variables. It was agreed that SILC ad-hoc modules would be at least partly used for testing these variables, which lead to defining the contents of recent or soon-coming ad-hoc modules as follows:

- 2016 – Access to services;
- 2017 – Health and children's health (including voluntary testing of variables on labour, over-indebtedness, consumption and wealth);
- 2018 – Material deprivation, well-being and housing difficulties;
- 2019 – Intergenerational transmission of disadvantages, household composition and evolution of income.

For some of the variables (mainly for newly developed ones) qualitative pre-testing was conducted. The main objectives of the pre-testing were the following:

- To review the wording of survey questions and answer categories for appropriateness for use via interview by means of focus group;
- To undertake cognitive interviews (face-to-face and telephone) in order to evaluate the quality of questions and answer categories;
- To formulate recommendations on the questions and answer categories.

The pre-testing was always conducted in English and French. Some years pre-tests were conducted in third EU language (Italian or Polish).

The pretesting consisted of two-step approach: focus group analysis and cognitive testing. As the first step of pre-testing focus groups are conducted. The focus group consist of around 6-8 participants, some of the participants are supposed to be experts in the topic and the remaining participants are supposed to be non-experts. Participants of the focus groups are supposed to have different socio-economic background (e.g. different age groups, sex, education, economic status).

During cognitive interviews for each language, a minimum of 10 face-to-face interviews and 10 telephone interviews are conducted with respondents having different socio-economic backgrounds. The interviews aim at collecting additional information about responses, evaluating quality of questions and answer categories, and understanding whether questions are able to effectively gather the intended information.

After each step of the pre-tests Eurostat validated the result and the proposed changes for the next step of pre-testing. Mainly in order to ensure that the aim of the questions was clear and would allow collecting the intended information.

Based on the outcome of the pretesting the lists of variables as well as the proposed questionnaires were revised. Based on the discussion of the results of pre-testing with the data users and producers, final version of the list of variables was agreed and respective regulation or ESS agreements prepared.

Next paragraphs describe in more detail the process of preparation of each of the 2016-2019 ad-hoc modules including specific issues identified and the final content.

3.1 Module 2016 – Access to services

SILC 2016 ad-hoc module was used to test future 6-yearly rolling module on Access to services. It had three objectives:

- It should provide information on services (in most cases public) used by individuals.
- It should provide a set of variables on unmet needs related to particular services.
- It should also focus on the so-called “hook” variables that will allow for linkages, i.e. more precision in the allocation of social transfers in kind (STiK) to different types of households.

The following services were researched:

- Childcare
- Education
- Lifelong learning
- Health care
- Long-term care (home and personal care).

Access to services is a multidimensional concept covering various components: availability, appropriateness, affordability, etc. Some of them may be to large extent culturally determined depending on the country. The assessment of the access is based on the use of a set of indicators to measure various dimension of access. The main focus has been given to:

- Use or access to services
- Barriers (financial burden)
- Links to STiK (paid or provided for free, fully or partly).

Qualitative pre-testing in English, French and Italian according to the method described earlier was conducted in 2014. The complete list of variables implemented via 2016 module is included in SILC Regulation 2015/245⁹.

3.2 Module 2017 - Health and children's health

SILC 2017 ad-hoc module was used as a tool for further testing rolling modules' variables with focus on health-related variables but including other topics as well.

The module was divided into two parts:

Part 1: Module on Health and Children's Health, which includes variables proposed for future 3-yearly module on health and variables on health of children intended for future 3-yearly module on children. This part is implemented according to regulation¹⁰ which means that all variables would be collected in all countries bound by SILC legislation;

Part 2: Supplementary variables on health, labour, over-indebtedness, consumption and wealth, which cover various topics considered for future SILC modules. This part is implemented via a special

⁹ [Commission Regulation \(EU\) 2015/245 of 16 February 2015 implementing Regulation \(EC\) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EU-SILC\) as regards the 2016 list of target secondary variables on access to services](#)

¹⁰ [Commission Regulation \(EU\) 2016/114 of 28 January 2016 implementing Regulation \(EC\) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EU-SILC\) as regards the 2017 list of target secondary variables on health and children's health](#)

legal instrument called ESS Agreement¹¹, which consists of a commitment of countries to implement variables for at least one topic.

In summary, the 2017 ad-hoc module covers the following topics:

- Health (health status, health care, health determinants);
- Children's Health (health and unmet needs for health care);
- Labour¹²;
- Over-indebtedness;
- Consumption and wealth.

Qualitative pre-testing in English and French according to the method described earlier was conducted in 2015 for all children's health variables, over-indebtedness, consumption and wealth, and some health (health determinants, home care and financial burden) and labour variables.

After evaluation of results of 2017 ad-hoc module, finalization of 3-yearly health module will need to be aligned with EHIS and SILC modules on Children, Access to services and Quality of life in order to ensure coherence and avoid unnecessary overlaps. Also, appropriate location and order of health variables needs to fine-tuned by considering the links between annual and 3-yearly variables and statistical unit reference (personal and household level). Due to the nature of some health variables, more focus would further need to be given to their implementation and following the proposed standard questionnaire in order to ensure high level of comparability of results.

3.3 Module2018 – Material deprivation, well-being and housing difficulties

SILC 2018 ad-hoc module is used as a tool for testing further rolling modules' variables focus on well-being variables as well as housing difficulties variables. Moreover, for the last time selected material deprivation variables will be collected.

While the variables on well-being and material deprivation are obligatory, variables on housing difficulties are to be collected on a voluntary basis¹³. Eurostat predicts that only around half of the Member States (MS) will collect variables on housing difficulties.

The module for 2018 is divided into the following three parts:

Part 1- Material deprivation - the following Material Deprivation variables on durables are to be collected: ownership of a telephone, ownership of a colour TV and ownership of a washing machine.

These items would be compulsory to collect in 2018, in order to allow calculation of the severe material deprivation rate in current form and thus ensuring consistency with the AROPE target indicator. It would also be the last time those variables would be compulsory in EU-SILC as 2018 would be the last year of data observation for the purposes of monitoring the EU 2020 Strategy headline poverty target.

Part2: Well-being - the well-being variables have been developed together with the Quality of Life Expert group. This module was last conducted in EU-SILC in 2013 and proved to provide interesting information. 2018 ad-hoc module will include only some of the variables included in 2013. However, not only the future module variables would be collected but also some of the variables that will be moved to Nucleus in the revised SILC and some which will be moved to different modules (three-yearly modules on Labour and

¹¹ ESS Agreement on health (2nd priority), labour, over-indebtedness as well as consumption and wealth to complement the Commission (implementing) Regulation as regards the EU-SILC 2017 target secondary variables on health and children's health.

¹² The variables were selected in order to concentrate on variables needed for micro-simulation (Euromod).

¹³ [Commission Regulation \(EU\) 2017/310 of 22 February 2017 implementing Regulation \(EC\) No 1177/2003 of the European Parliament and of the Council concerning Community statistics on income and living conditions \(EU-SILC\) as regards the list of target secondary variables on material deprivation, well-being and housing difficulties for 2018.](http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32017R0310&from=EN)

Housing). In addition, the Quality of Life Expert Group recommended including some new variables e.g. concerning loneliness.

Part 3 - Housing difficulties (Homelessness). This optional part of the module 2018 has been developed together with the European Federation of National Organisations working with the Homeless (FEANTSA).

The main objective of this round is to collect information on causes, conditions and risks of housing difficulties. The questions referred to the information on housing difficulties experienced by the member of the households in the past (once or more) as well as question on risk of housing difficulties in the future.

Once results of pre-testing of the variables were available and after consultations with the MS the question on risk of housing difficulties in the future has been removed from the list. Consequently, this part of module 2018 focuses only on past experiences of housing difficulties and collects information on what allowed participants to exit housing difficulties.

The part on housing difficulties of the module 2018 while optional has high policy relevance. There is data gap at European level which would enable comparison across countries. Indeed, it is a key issue, however at the same time SILC is not an ideal tool for collecting data on housing difficulties. While the data collected will be limited, it will still enable analysing the impact of past housing difficulties on the current income and living conditions.

Once data from ad-hoc module 2018 will be analysed a decision whether it should be repeated as an 6-yearly module in revised SILC will be taken.

This module was pre-tested in English, French and Polish in 2016 according to the method described earlier.

3.4 Module 2019 – Intergenerational transmission of disadvantages, household composition and evolution of income

For 2019, the planned module focuses on Intergenerational transmission of disadvantages, household income change and evolution of income. The module is to be used as a tool for testing 6-yearly rolling module on Intergenerational transmission of disadvantages but also some other variables as defined in the context of the EU-SILC revision.

The module was divided into three parts:

Part 1 (compulsory): Module on Intergenerational transmission of disadvantages, which includes variables proposed for the future 6-yearly module. The module on Intergenerational transmission of disadvantages has been already conducted in 2005 and 2011. Conducting it in 2019 what will enable for testing some changed or new variables.

Part 2 (optional): Evolution of income. This part of the module aims at testing new variables that could be used for providing early estimates of income.

Part 3 (optional): Household composition. This part of the module aims at testing household grid which should provide data on household composition, i.e. to describe relationship between all household members.

Qualitative pre-testing in English, French and Polish according to the method described earlier was conducted in 2017.

3.5 State of play

At the time of writing this document, no outcomes of the ad-hoc modules were available in order to inform the decisions for the variables in the future rolling modules. Data from 2016 ad-hoc module were progressively made available to Eurostat and the analysis of the access to services variables will be launched by the end of 2017. Results of the tests will be definitively important in order to decide to the final topics and variables in the rolling modules, in particular for difficult subjects such as wealth and housing difficulties.

4. Development of new material deprivation indicators

4.1 Introduction

The EU material deprivation (MD) rate is currently defined as the proportion of people living in households who cannot afford at least 3 of the following 9 items:

- coping with unexpected expenses;
- one week annual holiday away from home;
- avoiding arrears (in mortgage or rent, utility bills or hire purchase instalments);
- a meal with meat, chicken, fish or vegetarian equivalent every second day;
- keeping the home adequately warm;
- a washing machine;
- a colour TV;
- a telephone;
- a personal car.

This indicator is used together with others to measure progress towards the goals set by the EU2020 strategy.

Current MD indicators have some limitations, the most important ones being the small number of items on which they rely and the saturation of some deprivation items that are no longer relevant.

An ad-hoc module on MD with new items was included in the 2009 edition of EU-SILC and collected again in 2013, 2014 and 2015. From 2016 onwards 6 new items are collected in the yearly SILC survey and 3 old items were dropped.

4.2 New deprivation items

The new deprivation items retained after a thorough study¹⁴ are 6 at personal level and 1 at household level:

At personal level (in [parenthesis] the short versions used in the following tables:

The person cannot afford (but would like to have, i.e. a lack is an 'enforced lack' and does not simply reflect a choice):

- To replace worn-out clothes by some new (not second-hand) ones.
- Two pairs of properly fitting shoes, including a pair of all-weather shoes.
- To spend a small amount of money each week on oneself without having to consult anyone.
- To get together with friends/family for a drink/meal at least monthly.
- To have regular leisure activities.
- To have an internet connection.

At household level:

- The household cannot afford to replace worn-out furniture (but would like to have).

These items were collected in 2009 EU-SILC ad-hoc module and then again in 2013, 2014 and 2015. From 2016 onward, they replace in the regular EU-SILC the items "TV", "washing machine" and "telephone" that remain on a voluntary basis.

4.3 Methodological challenges

Several methodological challenges had to be solved before using the new items. They concerned imputation of missing values, questionnaire, aggregation and how to consider the deprivation status of children.

All new deprivation items except 'furniture' are measured at personal level. In EU-SILC the personal questionnaire is submitted only to people being 16 years or older. Therefore, there is no information

¹⁴ [Measuring material deprivation in the EU: Indicators for the whole population and child-specific indicators](#)

regarding children for these items. Furthermore, most of the items are not adequate for children. For them specific items are foreseen in the children deprivation module.

In order to supply with a deprivation indicator for the whole population, it is necessary to impute the deprivation items to children.

The chosen imputation rule considers the children deprived if they also miss at least three household deprivation items (out of the seven household items included in the list). This offers the advantage to use the same set of 13 items and the same threshold for both children and adults, while giving a lower weight to adult items when computing children.

4.4 The proposed indicator

The threshold chosen for the material deprivation indicator stems from a pragmatic approach and considers as deprived a person who misses 5 or more deprivation items. Severe material deprivation threshold has not yet been defined. The new indicator is, in most cases, more reactive than the previous one.

4.5 Name and use of the new indicator

Compared with the standard 9-item indicator of material deprivation indicator adopted in 2009 and used in the Europe 2020 Social Inclusion target, the new deprivation indicator includes in addition items related to social activities (leisure, internet, get together with friends/family, pocket money). It is therefore a measure of “material and social deprivation” (or in short “deprivation). In order to avoid confusion, the indicator used in the Europe 2020 target should always be referred to as “severe material deprivation” (or, if space allows: “(9-item) severe material deprivation”); whereas the new indicator should be referred to as “deprivation” (or, if space allows: “(13-item) material and social deprivation”).

5. Conclusions

One of the elements of the on-going revision of current SILC concerns its content. The current proposal was developed in close co-operation with various stakeholders and tried:

- Reflecting upon changing needs of data users and ensuring relevance of SILC by proposing the introduction of new topics (for example draft module on health or housing difficulties) or revising the existing ones (new material deprivation items); this should also extend the utility of SILC for multidimensional analysis of poverty and social exclusion.
- Setting up more regularity for certain topics (by defining 3-yearly and some 6-yearly modules) while keeping space for emerging policy news (2.5 out of 6 future 6-yearly modules reserved).
- Taking into account resource constraints and therefore not increasing the burden for data providers (this was done by reducing annual variables by either their removing or transferring them into a rolling module).
- Striving for better quality and harmonisation of outputs by developing reference questions and interview guidelines for revised or possible new variables and their qualitative pre-testing and full-scope testing via 2016-2019 SILC ad-hoc modules.

Synergies reached between the content and other elements of SILC re-design are essential for the overall utility of SILC and would further need to be considered.

The presented content of future SILC should be considered as reflecting the state of play as of mid-2017 as the process of revision of SILC had not been closed by that time and further work, also on other elements of EU-SILC in the framework of the process of modernisation of social statistics would continue.

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