

La pauvreté des Européens en indicateurs: AROPE

Sophie Ponthieux, Insee

Journée scientifique “Pauvreté, vulnérabilité”,

INED – 19 mai 2016



Mesurer pour comprendre

Cette présentation n'engage que son auteure et reflète pas nécessairement une position de l'Insee.

Outline

- De la “liste” de Laeken au “Portfolio of social indicators” à “AROPE” : une (très) brève introduction aux indicateurs européens
- Focus sur AROPE, l’indicateur agrégé de la Stratégie Europe 2020 contre la pauvreté et l’exclusion sociale
- Un petit point sur la source: EU-SILC
 - ARP
 - SMD
 - Focus sur VLWI
- Evolutions... ou pas d’évolution?
- Eléments de discussion

Depuis 2001, développement d'indicateurs destinés au “monitoring” de la pauvreté en Europe, dans le cadre de l'OMC (open method of coordination) et en lien avec les “stratégies” (Barcelone, Stockholm, Lisbonne, puis EU2020).

Philosophie des indicateurs : ***A minimum set of methodological criteria***

- a) *An indicator should capture the essence of the problem and have a clear and accepted normative interpretation;*
- b) *An indicator should be robust and statistically validated;*
- c) *An indicator should provide a sufficient level of cross country comparability, as far as practicable with the use of internationally applied definitions and data collection standards;*
- d) *An indicator should be built on available underlying data, and be timely and susceptible to revision;*
- e) *An indicator should be responsive to policy interventions but not subject to manipulation.*

- Liste des 18 indicateurs dits “de Laeken”: la moitié concernent la pauvreté monétaire et la distribution des revenus équivalents (*)
- complétée en 2002 par des indicateurs sur les retraites (adequate and sustainable pensions)
- complétée en 2004 par des indicateurs sur la santé et les soins (accessible, high quality and sustainable healthcare and long term care) → la liste devient un “portefeuille” d’indicateurs sur la pauvreté, l’exclusion sociale, les retraites et la santé
- Le portefeuille est complété d’indicateurs sur les privations matérielles, puis le logement, écrémé/simplifié en 2006, remanié en 2008, mis à jour en 2009...

➤ 2010: La stratégie Europe 2020 pour “*a smart, sustainable and inclusive economy*”

➤ 5 cibles:

1. **Employment:** 75% of the 20-64 year-olds to be employed
2. **R&D:** 3% of the EU's GDP to be invested in R&D
3. **Climate** change and energy sustainability
4. **Education:** Rates of early school leaving below 10% and at least 40% of 30-34 year-olds completing third level education

5. **Fighting poverty and social exclusion:** at least 20 million fewer people
At Risk Of Poverty and social Exclusion → AROPE

➔ En 2015 la dernière version du portefeuille d'indicateurs
([portfolio2015](#))

AROPE: the key indicator of the EU2020 strategy for social inclusion

Headcount

People (any age) living in households **“at-risk-of poverty” (ARP)**

and/or

People (any age) in households facing **“severe material deprivation” (SMD)**

and/or

People (less than 60 years old) in households with **“very low work intensity” (VLWI, rephrased (quasi-)jobless QJ)**

Target 2020: reduce by 20 million the size of this population in 2020 compared to 2008

→ Target and indicator defined in 2010

→ At country level: each country chooses the end and the means

Source: EU-SILC

“Harmonized” data, covering the 27 (+1) EU Member States

Country variation in data collection:

- register and/or survey (face-to-face / phone),
- all adults (17+) or “selected respondent” (DK, FI, NL, SE, SI)

A problematic *period of reference*:

Civil year N-1 relative to the year of interview, except Ireland moving period (12 months preceding the interview) and UK, “centered on the date of interview” for the income and 12 months preceding the interview for the activity

Two distinct users’ database (will change... soon):

- cross-section
- longitudinal (not all CS variables)

AT RISK OF (monetary) POVERTY

“at-risk of”: EU language

At-risk-of poverty **threshold** as 60% of the median equivalised income

Income equivalised using the “modified-Oecd” equivalence scale 1 / 0.5 / 0.3

Household income, assuming full income pooling and equal sharing within households =>

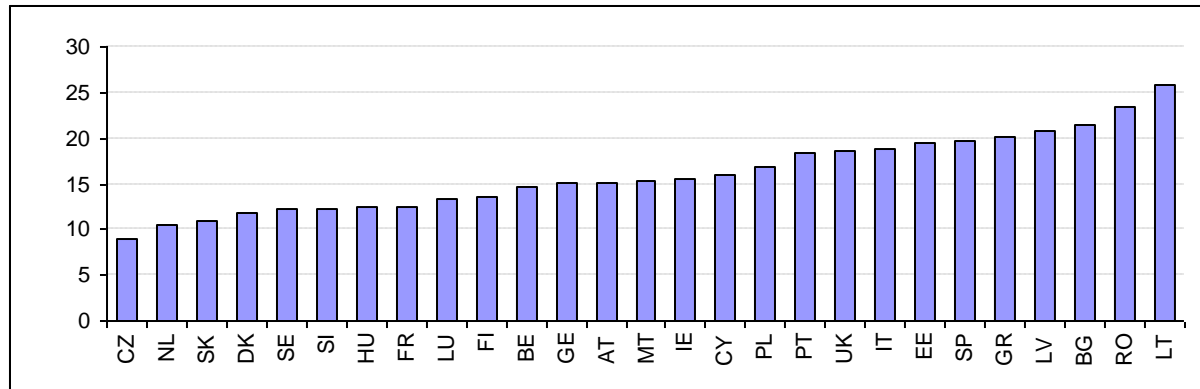
All are poor or not poor

No intra-household inequality

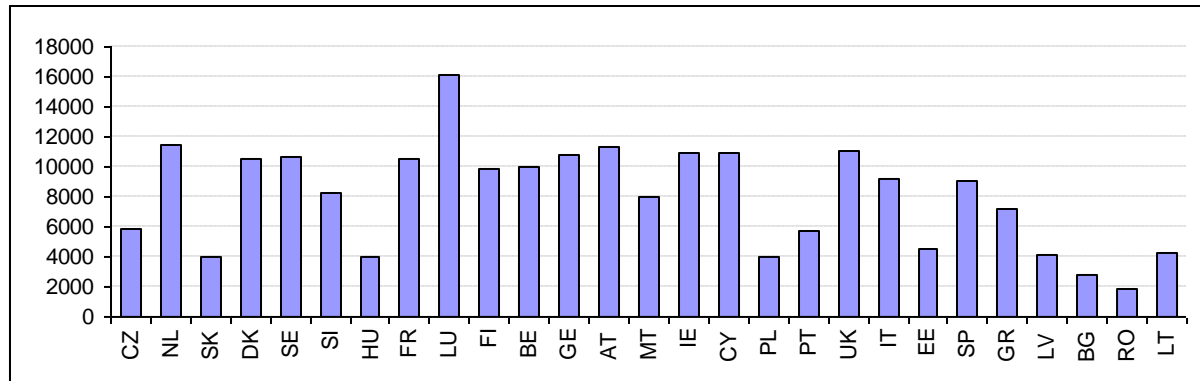
Arope components 1. ARP *what's wrong?*

Comparer les taux et oublier les seuils

Taux de pauvreté,
triés sur taux
EU-silc 2008



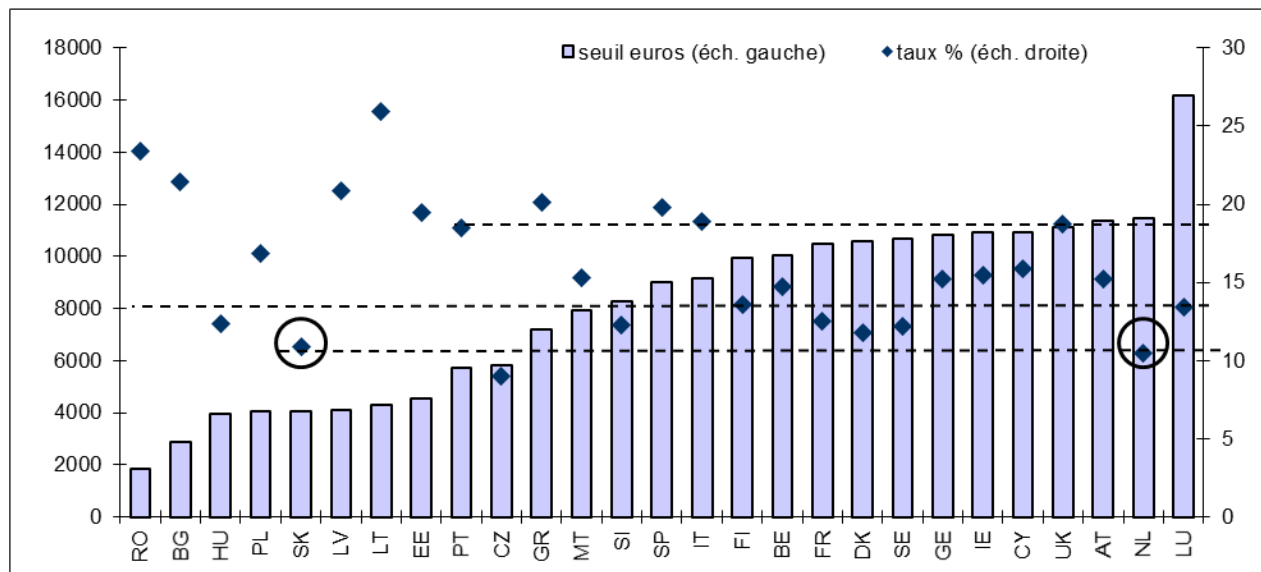
Seuils de pauvreté
EU-Silc 2008



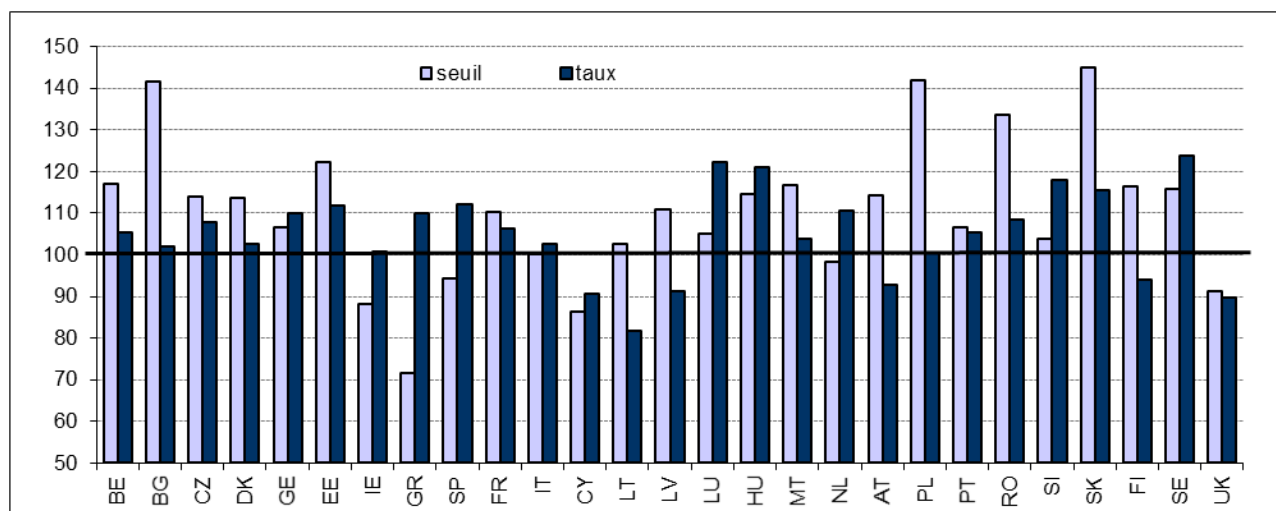
Arope components 1. ARP *what's wrong?*

Sens d'un taux au niveau de l'UE ? Évolutions ?

Seuils et taux
Trié par seuil
EU-silc 2008



Seuils et taux
de pauvreté
Variation 2008-14,
100 en 2008
EU-Silc 2008 et 2014



SEVERE MATERIAL DEPRIVATION

Enforced lack of 4 items out of a list of 9:

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

Will change in ?? (soon) : new list of 13 items for the whole population
+ a specific list of 18 items for children

Want to know more on the revised indicator?

<http://ec.europa.eu/eurostat/en/web/products-statistical-working-papers/-/KS-RA-12-018>

Arope components 2. SMD *what's wrong ?*

- La liste

Idée: pauvreté phénomène multidimensionnel → approche par les conditions matérielles : constitution d'une liste d'items dont la possession est largement diffusée dans la population (prévalence) et qui sont jugés nécessaires (consensus) pour mener une vie « normale »

?? *Pas le logement (un indicateur à part *); aucun item sur l'accès aux soins*

Consensus de qui? conclusions très divergentes de 2 études basées sur l' Eurobaromètre 2007 (Dickès, Fusco, Marlier 2009 // Accardo, de Saint-Pol 2009)

Manque associé à manque de ressources monétaires (enforced lack)

Mais tout ne dépend pas des ressources (alternatives - ex.: voiture)

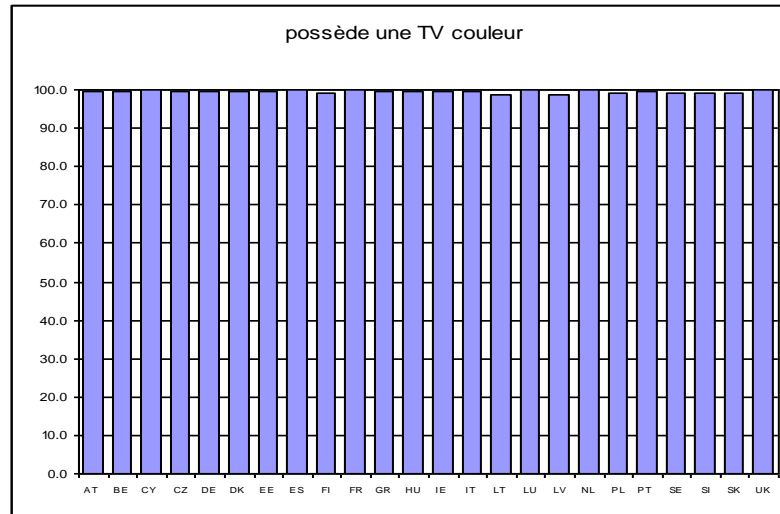
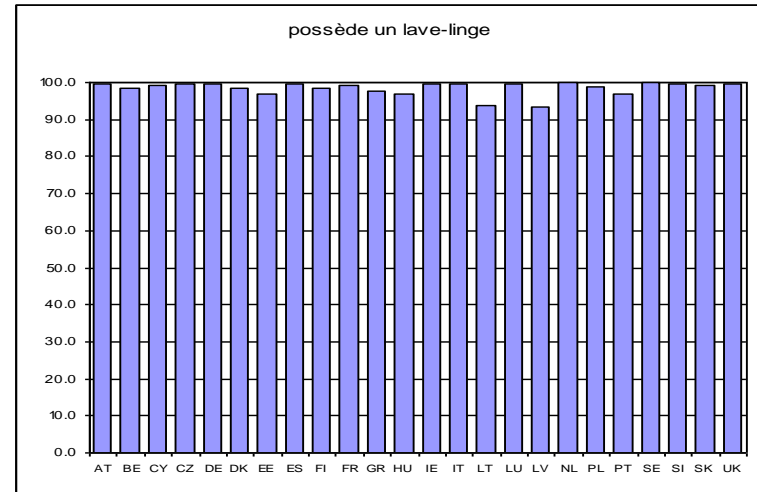
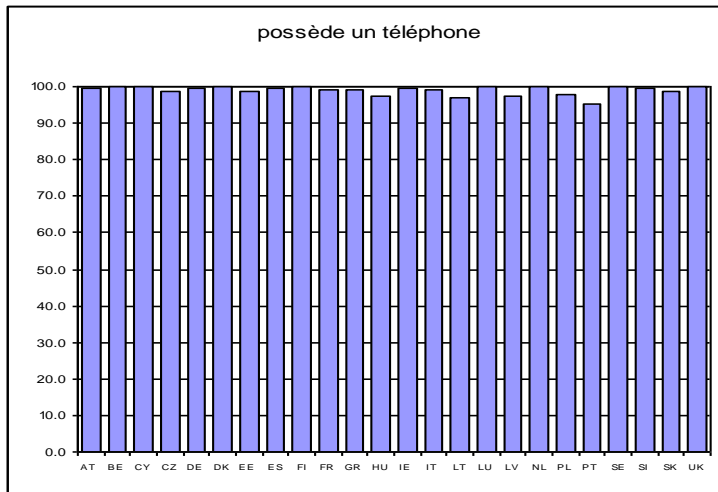
Accessoirement: pas la même liste en France (21 items, « pauvreté en CDV » à 9 manques)

- La définition du seuil : pourquoi sévère à 4 items plutôt que 3 ou 5 ?
- Le principe d'un standard européen: un indicateur qui doit être pertinent pour l'ensemble des MS
 - option 1 - un indicateur qui reflète le même phénomène latent par rapport à un état de la société
 - option 2** - une seule et même liste, un seul et même seuil

Des items « saturés », le manque n'a pas le même sens partout.

Accessoirement: des comparaisons qui ne prennent pas en compte l'existence de services publics – qui changent les possibilités d'accès aux items de la liste

Arope components 2. SMD *what's wrong ?*



Arope components 2. SMD *what's wrong ?*

Items FR / UE	FR	communs	UE
Contrainte budgétaire			
➤ Part du remboursement sur le revenu supérieure à un tiers *	F1		
Découverts bancaires fréquents *	F2		
➤ Couverture des dépenses par le revenu difficile	F3		
➤ Aucune épargne à disposition *	F4		
Recours aux économies *	F5		
☐ Capacité à faire face à des dépenses non prévues			UE1
Opinion sur le niveau de vie : «c'est difficile, il faut s'endetter pour y arriver» *	F6		
Retards de paiement: impossibilité de payer à temps à plusieurs reprises			
Factures (électricité, gaz, téléphone...)	F7		
Loyer et charges	F8		
L'indicateur européen agrège ces deux éléments (+ retards dans les remboursements d'emprunts immobiliers et d'emprunts à la consommation) en un seul item « retards de paiement »			UE2
Versements d'impôts *	F9		
Restrictions de consommation : les moyens financiers ne permettent pas de			
☐ Maintenir le logement à bonne température		F10 / UE3	
☐ Payer une semaine de vacances une fois par an		F11 / UE4	
➤ Remplacer des meubles *	F12		
Acheter des vêtements neufs *	F13		
Manger de la viande tous les deux jours		F14 / UE5	
Recevoir *	F15		
Offrir des cadeaux *	F16		
➤ Posséder 2 paires de chaussures *	F17		
Absence de repas complet au moins une journée au cours des 2 dernières semaines *	F18		
Difficultés de logement	Dimension non incluse dans le calcul européen		
Privation en biens durables :	Dimension non incluse dans le calcul de l'indicateur français		
Lave-linge			UE6
TV couleur			UE7
☐ Téléphone			UE8
☐ Voiture			UE9

Definition

People aged 0-59 living in households where work intensity (ratio of worked months, measured in terms of full-time equivalent, to available months of the adults aged 18-59) is below 0.2

Purpose of the indicator (unclear)

- *identify people lacking contact with the world of work*
- *accounting for unemployment polarization*
- *a relevant dimension for the analysis of poverty*

Why “QJ”

Already an indicator “jobless households” (measured with the LFS)

Implementation

➔ **Step 1: Work intensity** assessed at household level, for the household members aged 18-59 excluding students aged 18-24

- defined as the ratio of the sum of worked months (measured in full-time equivalent work), to the sum of their available months

$$WI = \frac{[FT\ months * (weight = 1)] + [PT\ months * (0 < weight < 1)]}{(12 * number\ of\ adults\ aged\ 18 - 59\ not\ students)}$$

- Very low work intensity: **WI < 0.2**

➔ **Step 2: Headcount of individuals aged 0 to 59 years living in these VLWI (QJ) households**

Arope components 3. VLWI *what's wrong?*

*People aged 0-59 living in households where the ratio of worked months, measured in terms of full-time equivalent, to **available months** of the adults aged 18-59 is below 0.2*

→ Technical problem of implementation

Available months actually include months of education and months of retirement

- ⇒ **Unreliable measure of the household work intensity:**
 - overestimation of the denominator (months wrongly assumed as available),
 - underestimation of the numerator (months worked by people assumed “not” potential workers)

Arope components 3. VLWI what's wrong?

*People aged 0-59 living in households where the ratio of worked months, measured in terms of full-time equivalent, to available months **of the adults aged 18-59** is below 0.2*

→ Scope of the population of potential workers = aged 18-59. Age bracket not consistent

- with the Europe 2020 Employment target (employment rate of the 20-64)
- with other EU targets (Stockholm, Barcelona) on “active ageing”
- with most labour market statistics (people aged 15-64)
-
- with reality (significant shares of the 60+ are still active)

Arope components 3. VLWI what's wrong?

*People aged 0-59 living in households where the ratio of **worked months, measured in terms of full-time equivalent**, to available months of the adults aged 18-59 is below 0.2*

→ A conceptual issue:

if the aim is to assess the risk of exclusion from the world of work, does it matter to distinguish between full-time and part-time work?

→ A serious “technical” limitation:

EU-SILC does not provide the information needed to compute reliable estimates of Full Time Equivalent

⇒ Arbitrary imputations, mix of months from the reference period (N-1) and hours from the current situation (N)

⇒ Mismatches and unreliable measure of the household work intensity

Arope components 3. VLWI *what's wrong?*

People aged 0-59 living in households where the ratio of worked months, measured in terms of full-time equivalent, to available months of the adults aged 18-59 is below 0.2

→ Target population:

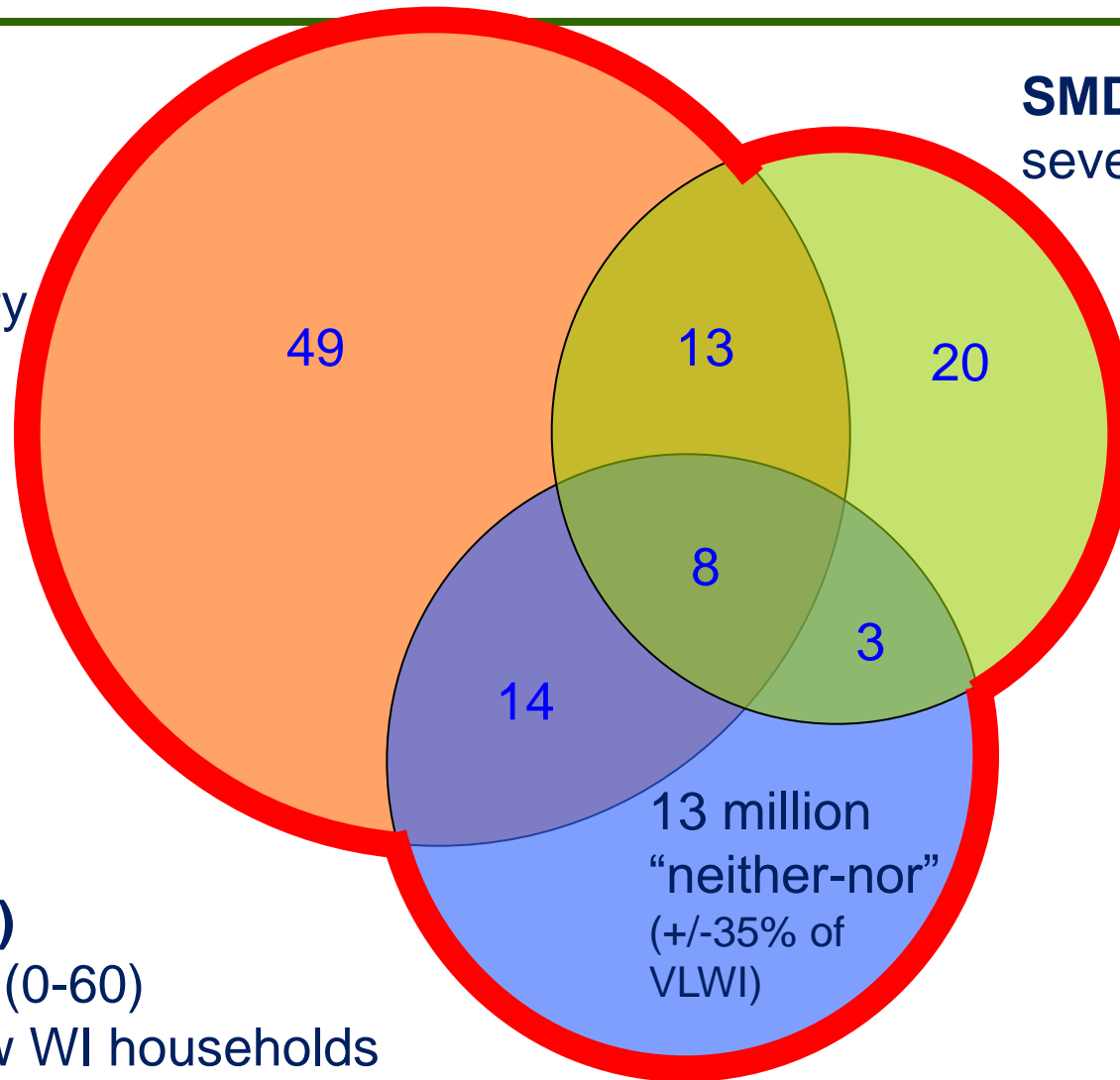
Target includes children, but excludes “senior” living in VLWI households

- Scope of the measure: +/- 75% of the population (vs. 100% with ARP or SMD) → Size of VLWI not consistent with ARP or SMD
- Evolution of VLWI linked with population ageing: natural trend of decrease over time → Biased evolution of AROPE over time
- Probability to be living in a VLWI household drops to zero at the 60th birthday (65th if REV2 is adopted) → Biased persistency and transitions at micro level

AROPE IN PICTURE

ARP
84 million at-risk-of poverty

SMD 44 million severely deprived



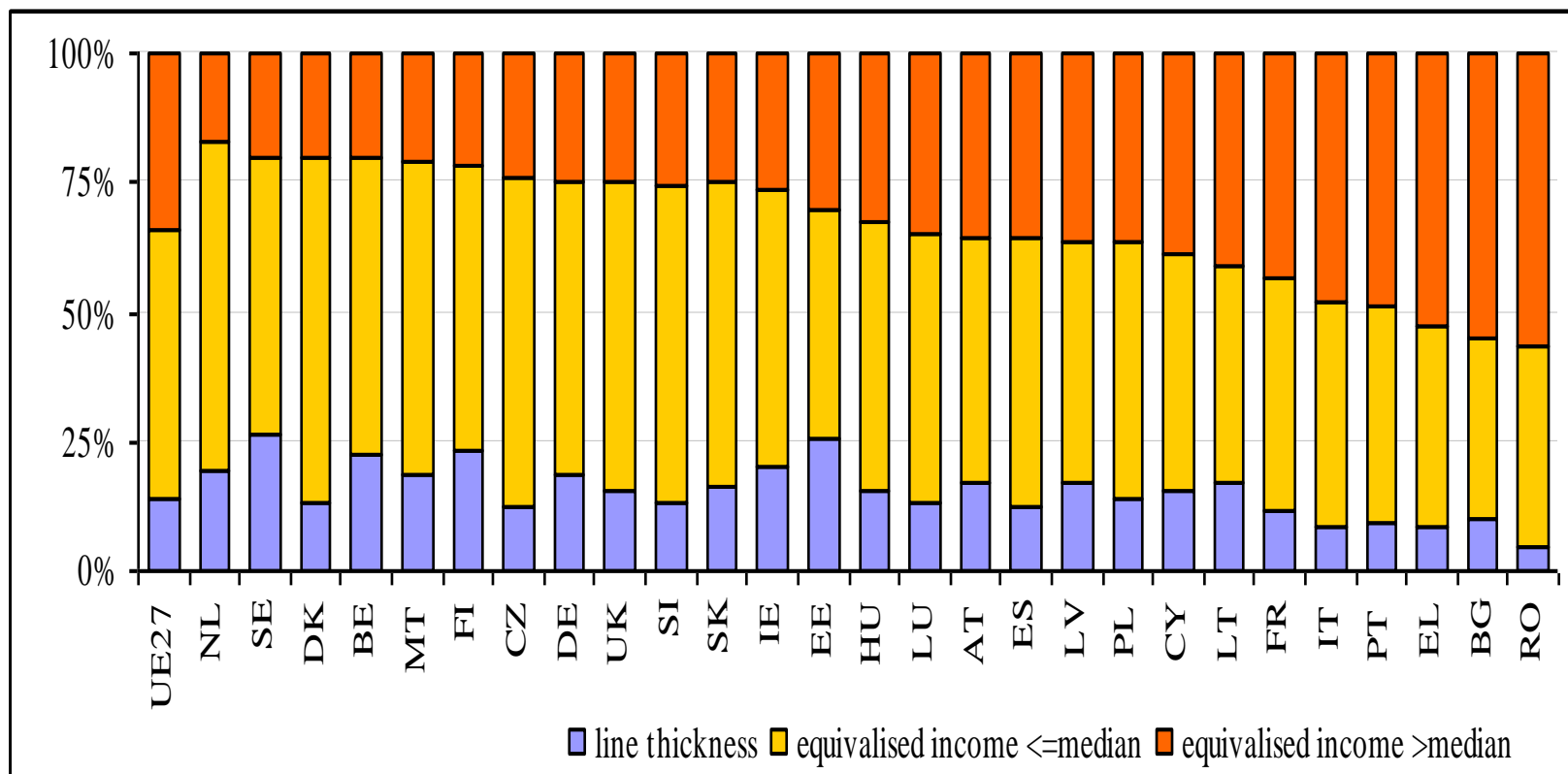
VLWI (QJ)
38 million (0-60)
in very low WI households

EU-27
(2011)

Borrowed from Guio & Marlier

“(Quasi-)joblessness in the [Europe 2020 SI target context](#)”

Equivalised income of VLWI “neither-nor”



AROPE 2008-2014

<http://ec.europa.eu/eurostat/web/europe-2020-indicators/statistics-illustrated>

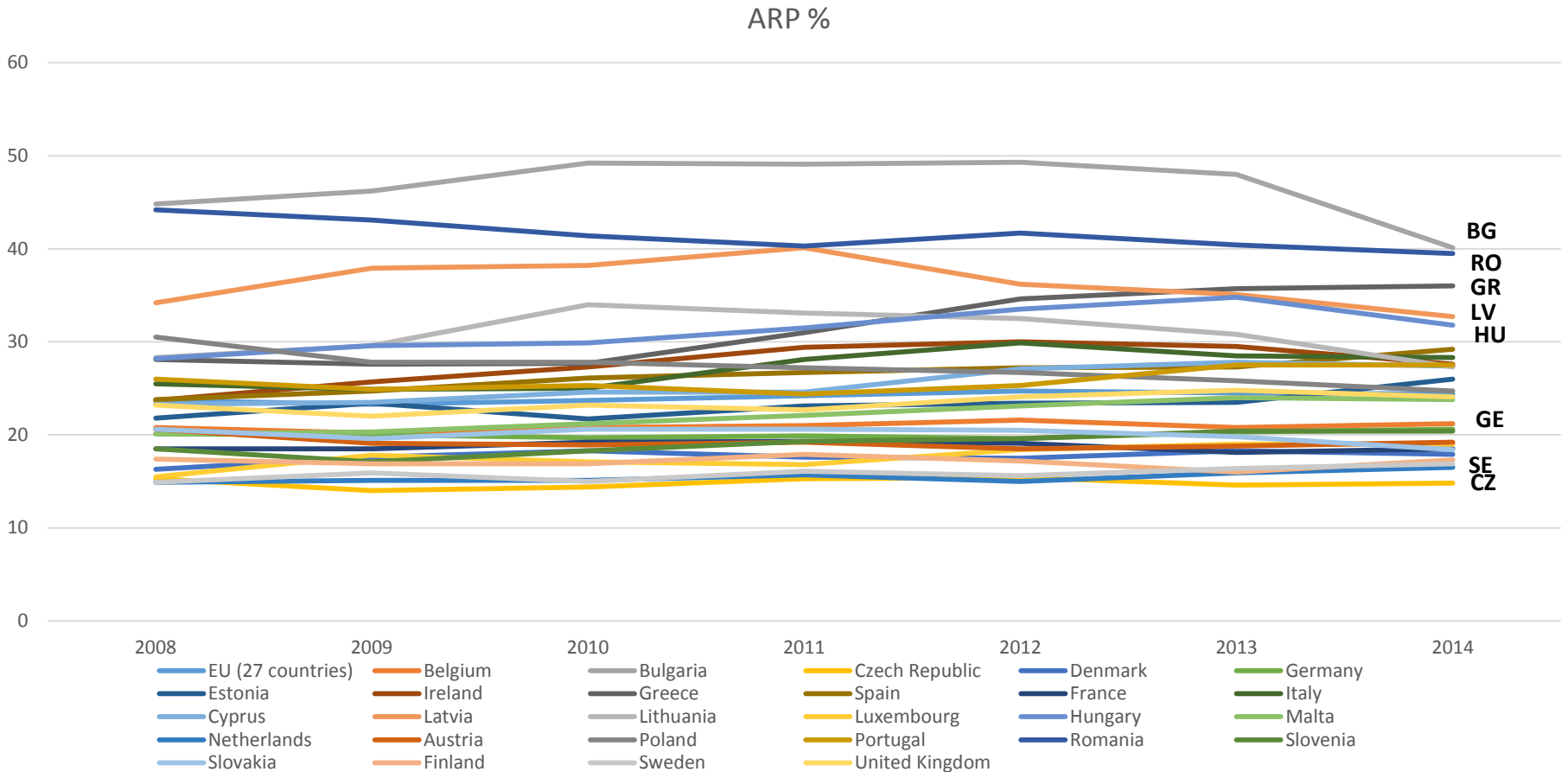
<http://ec.europa.eu/eurostat/web/europe-2020-indicators/europe-2020-strategy/headline-indicators-scoreboard>

Poverty should be reduced by lifting at least 20 million people out of the risk of poverty or social exclusion in the EU-27

	2011	2012	2013	2014
AROPE				
Cumulative difference from 2008 (million)				
People at risk of poverty or social exclusion ⁽¹⁾	3,5	6,3	5,4	4,6
Additional data (Show)				
Components (million)				
ARP People at risk of poverty after social transfers	84,0	84,1	83,4	86,2
Additional data (Show)				
SMD People severely materially deprived	44,3	49,6	48,1	44,5
Additional data (Show)				
VLWI People (0-60) living in households with very low work				

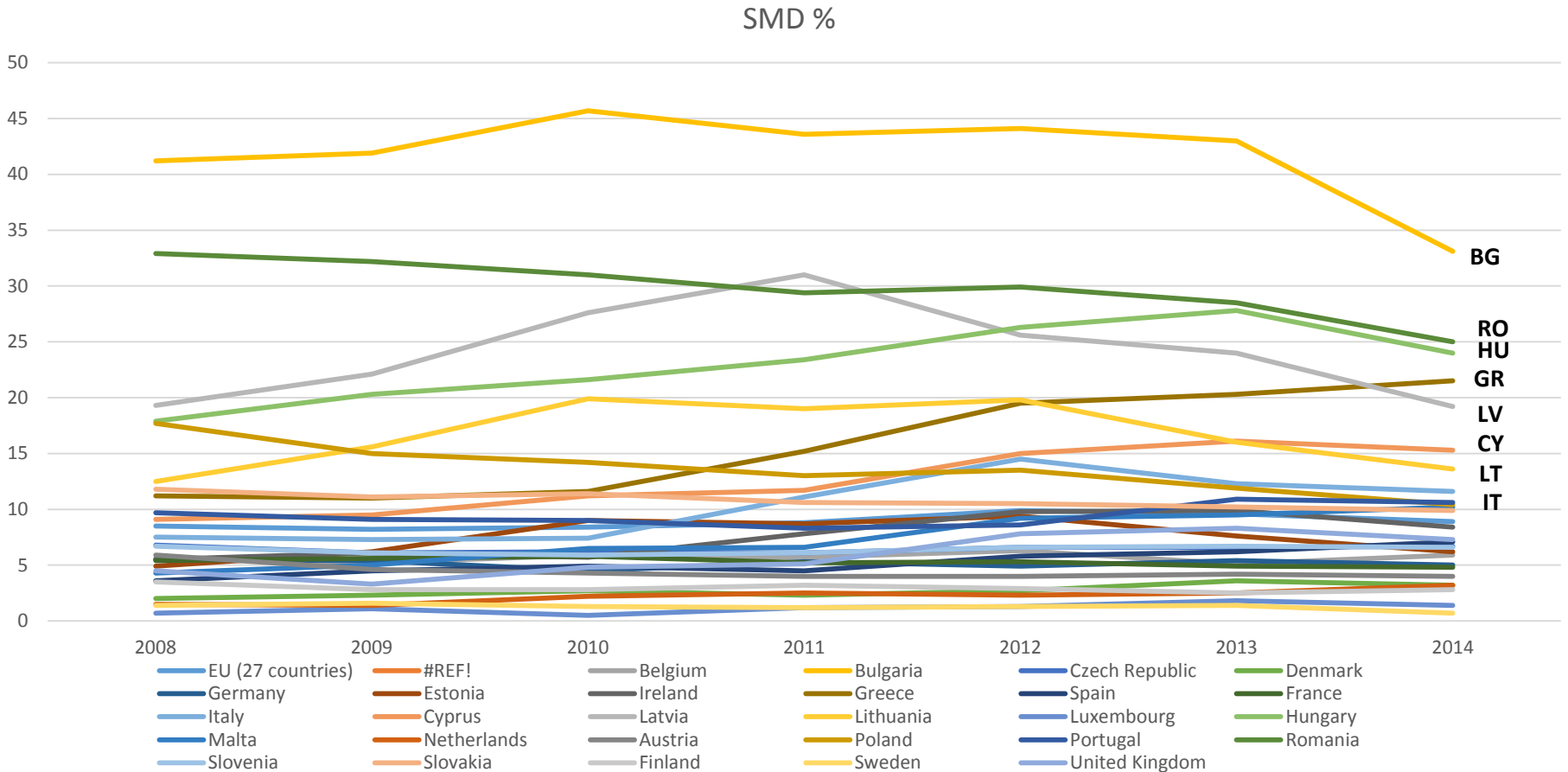
Arope components

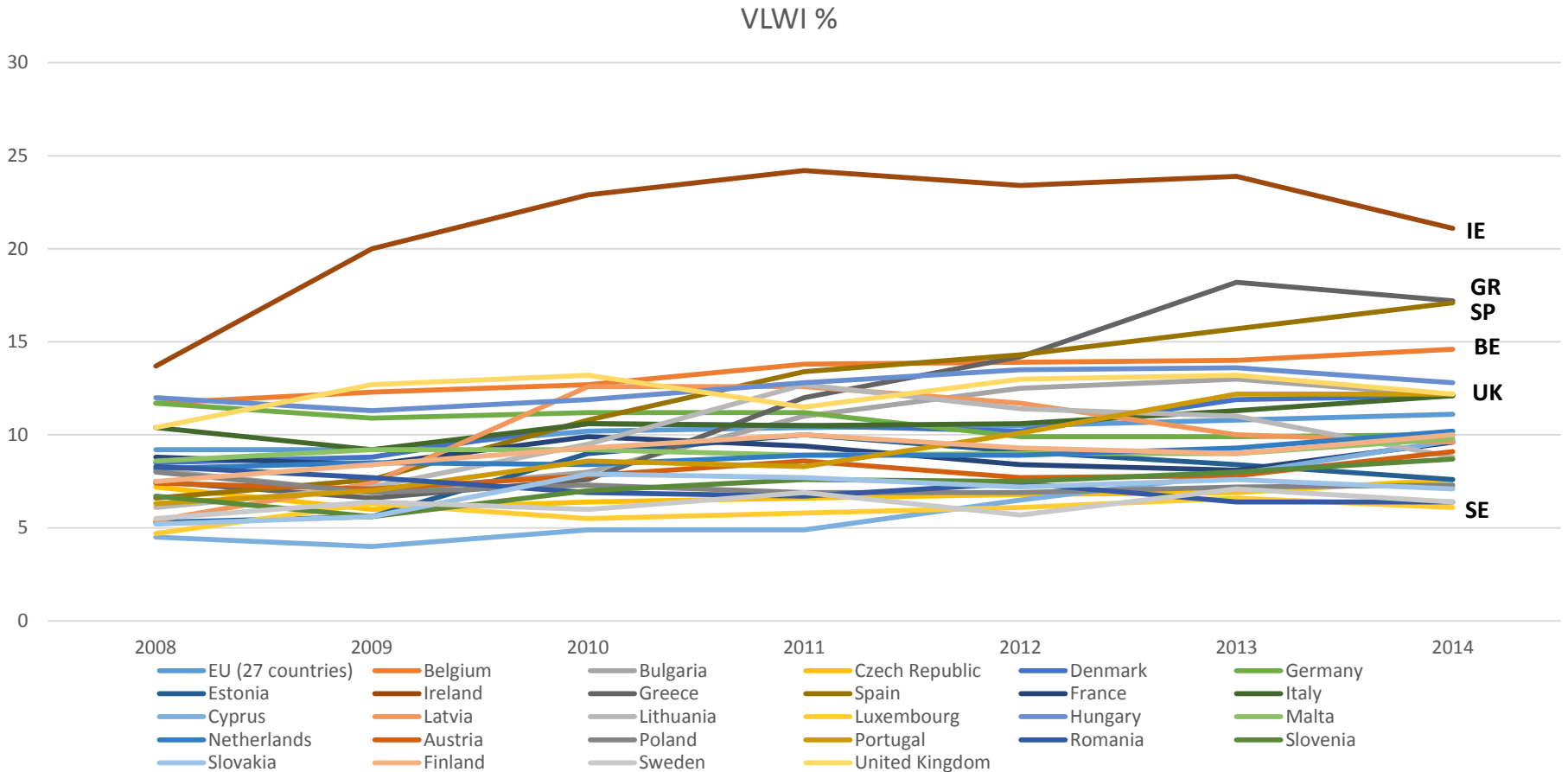
1. ARP



Arope components

1. SMD





POUR UNE DISCUSSION

→ AROPE: 2 logiques

ARP & SMD dans la tradition de l'approche UE de la pauvreté et exclusion sociale

VLWI: compromis avec pays qui voulaient un focus sur l'emploi (Copeland & Daly, 2012)

évolution des composantes qui oppose anciens et nouveaux Etats membres

→ Question « politique »: sens de l'objectif « moins 20 millions » ? Comment interpréter les variations au niveau UE?

→ Sur le plan méthodologique:

Manque de cohérence interne de l'indicateur phare (AROPE)

Variables harmonisées => indicateurs comparables ?

Des dimensions négligées: prestations en nature, accès aux soins, charge du logement

Individu/ménage: décomptes ou % d'individus basés sur variables ménages et déclinées par âge et sexe

Sous-estimation probable pauvreté des femmes, possible sur-estimation pauvreté des enfants => faible valeur pour l'analyse

Quelques références

Atkinson, A.B., Cantillon, B., Marlier, E. and Nolan B. (2002), *Social indicators: The EU and social inclusion*. Oxford: OUP.

Copeland, P. and Daly, M. (2012), “Varieties of poverty reduction: Inserting the poverty and social exclusion target into Europe 2020”, *Journal of European Social Policy* 22(3), 273-287.

European Commission (2015). Portfolio of indicators for the monitoring of the progress towards the EU objectives for social protection and social inclusion – 2015 update. DG Employment and Social Affairs, Brussels.

Graaf-Zijl, M. de and Nolan, B. (2011), “Household Joblessness and Its Impact on Poverty and Deprivation in Europe”. *GINI Discussion Paper No 5*.

Gregg, P. and Wadsworth, J. (1996), “More work in fewer households?”. In: Hills (ed.), *New inequalities*. London: Cambridge University Press, pp. 181–207.

Gregg, P., Scutella, R. and Wadsworth, J. (2010), “Reconciling Workless Measures at the Individual and Household Level. Theory and Evidence from the United States, Britain, Germany, Spain and Australia”. *Journal of Population Economics*, 23(1): 139-167.

Maître, B., Nolan, B. and Whelan, C.T. (2013), “A critical evaluation of the EU 2020 poverty and social exclusion target: an analysis of EU-SILC 2009”. *GINI Discussion paper No 79*.

Nolan, B. and, Whelan, C.T. (2011), “The EU 2020 poverty target”. *GINI Discussion paper No 19*.

Ponthieux, S. (2016), Risk of poverty or social exclusion over time: a focus on (quasi-)joblessness. In: Atkinson & Marlier (eds), *Income, work and deprivation in Europe*, Luxembourg:OPOCE.

Thank you for your attention.