



New methods for enriching official statistics on income distribution

Aura Leulescu-EUROSTAT

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NTTS

New methodologies in Eurostat



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Experimental statistics – Overview

INTRODUCTION

Experimental statistics use **new data sources and methods** in an effort to better respond to our users' needs.

For example, for the first time Eurostat is estimating **price changes in the food supply chain**, from farm to consumer. Another example is the use of **Wikipedia** as a new source to produce statistics on the **visits to UNESCO World Heritage Sites**. This is to measure not only the popularity of the sites but also the public's 'cultural consumption'.

experimental As these statistics have not reached full maturity in terms of harmonisation, coverage or methodology, they are always marked with a clearly visible logo and accompanied by detailed methodological notes.

We are interested in receiving your **feedback** on our experimental statistics in order to further improve their robustness. Join the discussions launched on the [European Statistics User Forum](#) to share your views and ideas!

All topics covered in this page are summarised in a table under '[Published statistics](#)'. They are also available via the 'topics' section below.

TOPICS

 FIGARO	 Food price monitoring tool	 Income, consumption and wealth	 Income inequality and poverty indicators	 Labour market transitions
				

Flash estimates on income poverty and inequality →



*Need for more timely data on income indicators for the **European Semester and several monitoring tools***

- **Based on EU-SILC:** Structural instrument -collects information income N-1 in year N
 - **Currently, 18 months delay** after the reference period
- FE as early warning (9→6 **month delay**)
- **used in the Joint Employment Report, Country reports and recommendations...**

What indicators?



European Commission

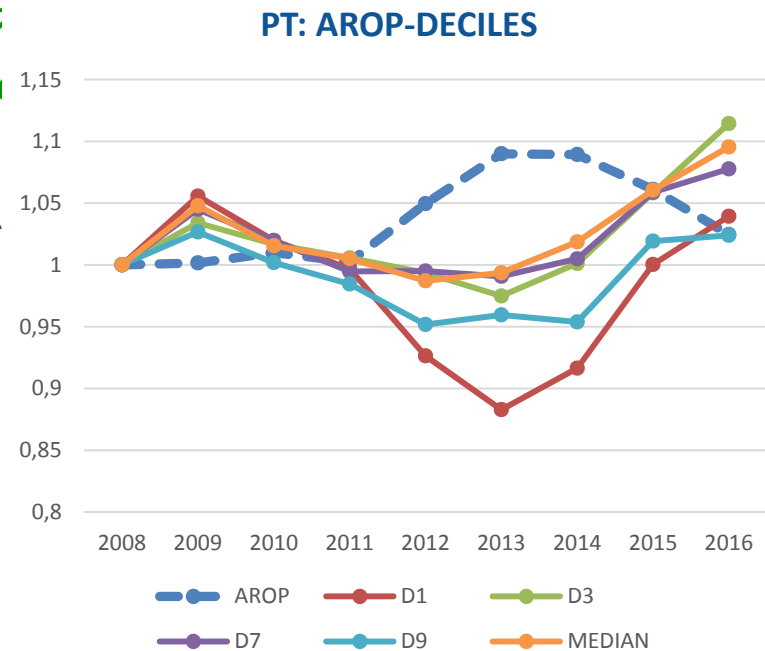
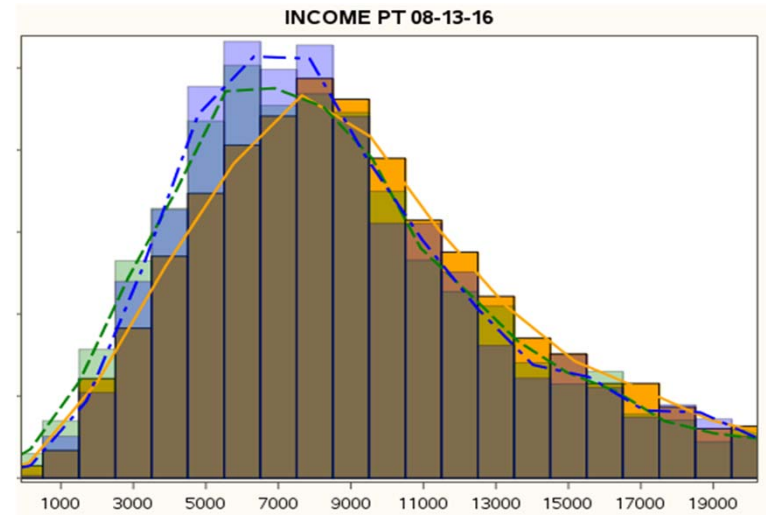
- *A coherent narrative about the income distribution*

→ *Priority indicators for main users but structural*

- *AROP (At-risk-of-poverty rate in %)*
- *Income inequalities (S80/S20 ratio)*

→ *More reactive indicators for yearly changes*

- *Deciles (cut-off points)*
D1, D3, Median, D7, D9



Cycle 2017/2018



Technical

- *Review several methods*
→ **mainly modelling techniques**
→ national flash (4 countries)
- *Quality assessment framework & criteria for publishing*
- *Communication aspects*

Stakeholders

- *Bilateral consultations with Member States*
- *Dedicated TF on Flash Estimates*
- *Workshops with the academic community*
- *Main users and different monitoring tools*
- *Strong support from the ⁵ University of Essex*





Macro

Macroeconomic time series modelling + different variable selection methods

- time series too short (-)
- not coherent estimation of different indicators (-)

Micro

Microsimulation

→ *Labour effects*

- labour transitions model /calibration
- wage indexation (by sector when possible)

→ *Policy effects*

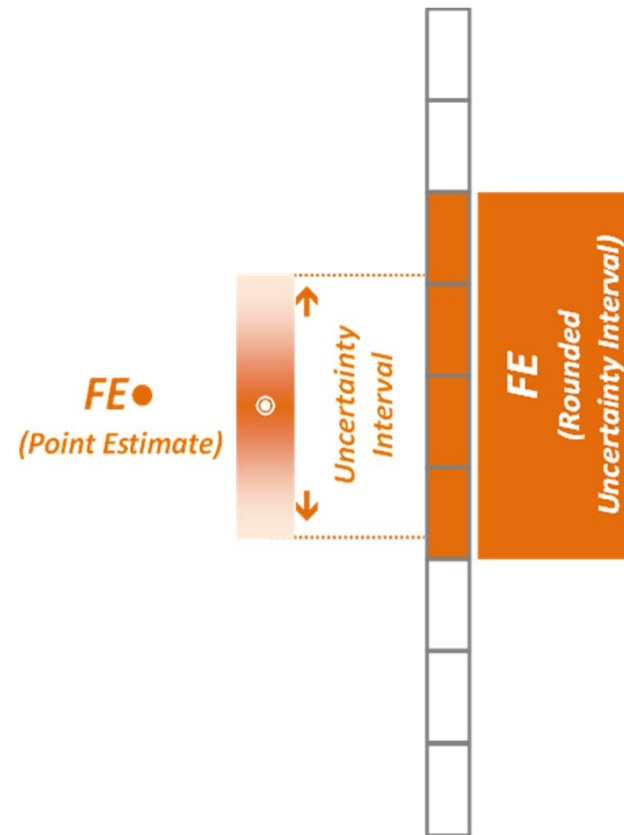
- **Euromod**

→ *Other indexations (e.g. use of HICP)*

- possibility to link to policy effects (+)

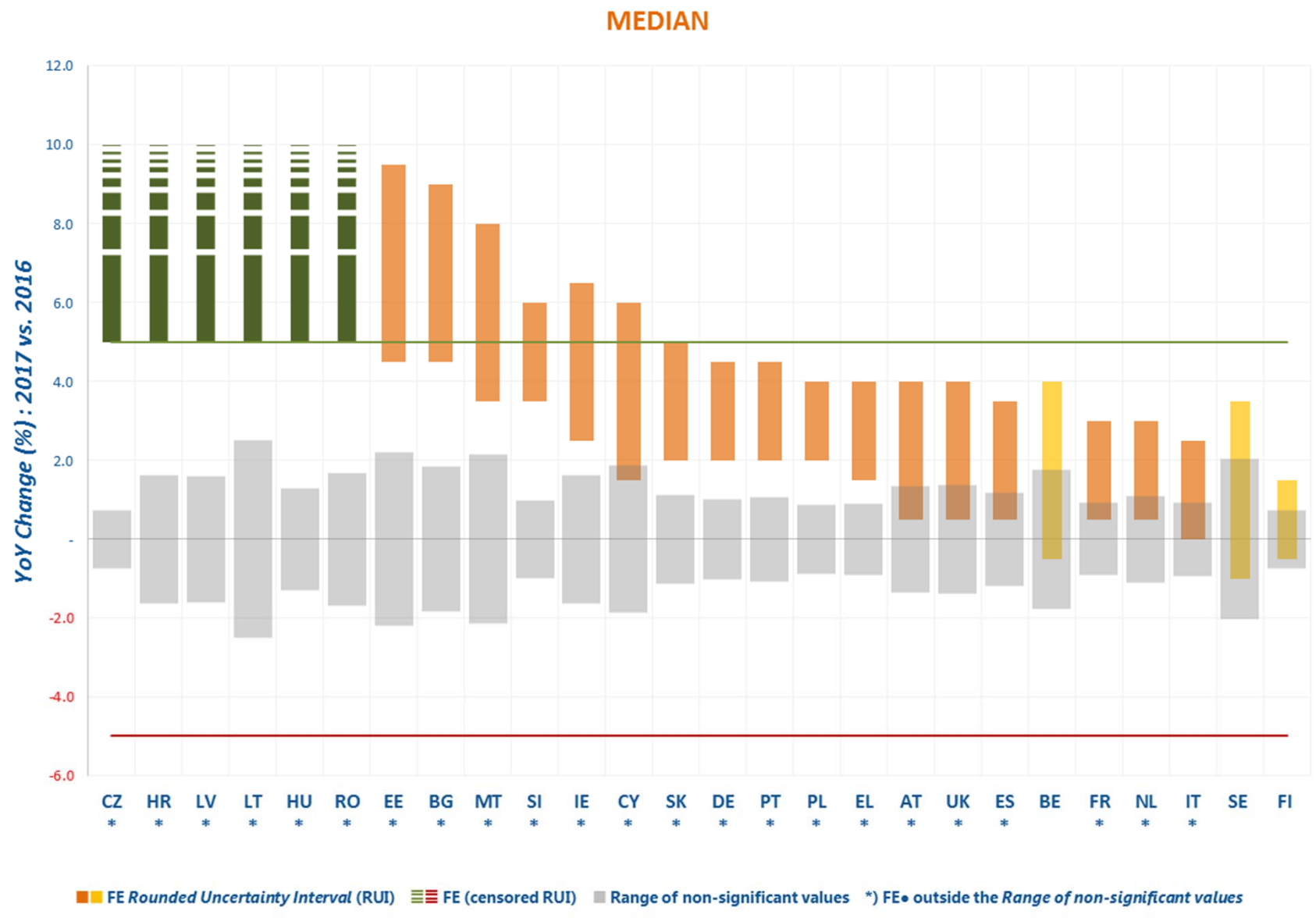
- Focus on the direction and magnitude of YoY changes
- take into account the sampling error (in the input and target source)
- in the future to include model error

Uncertainty interval

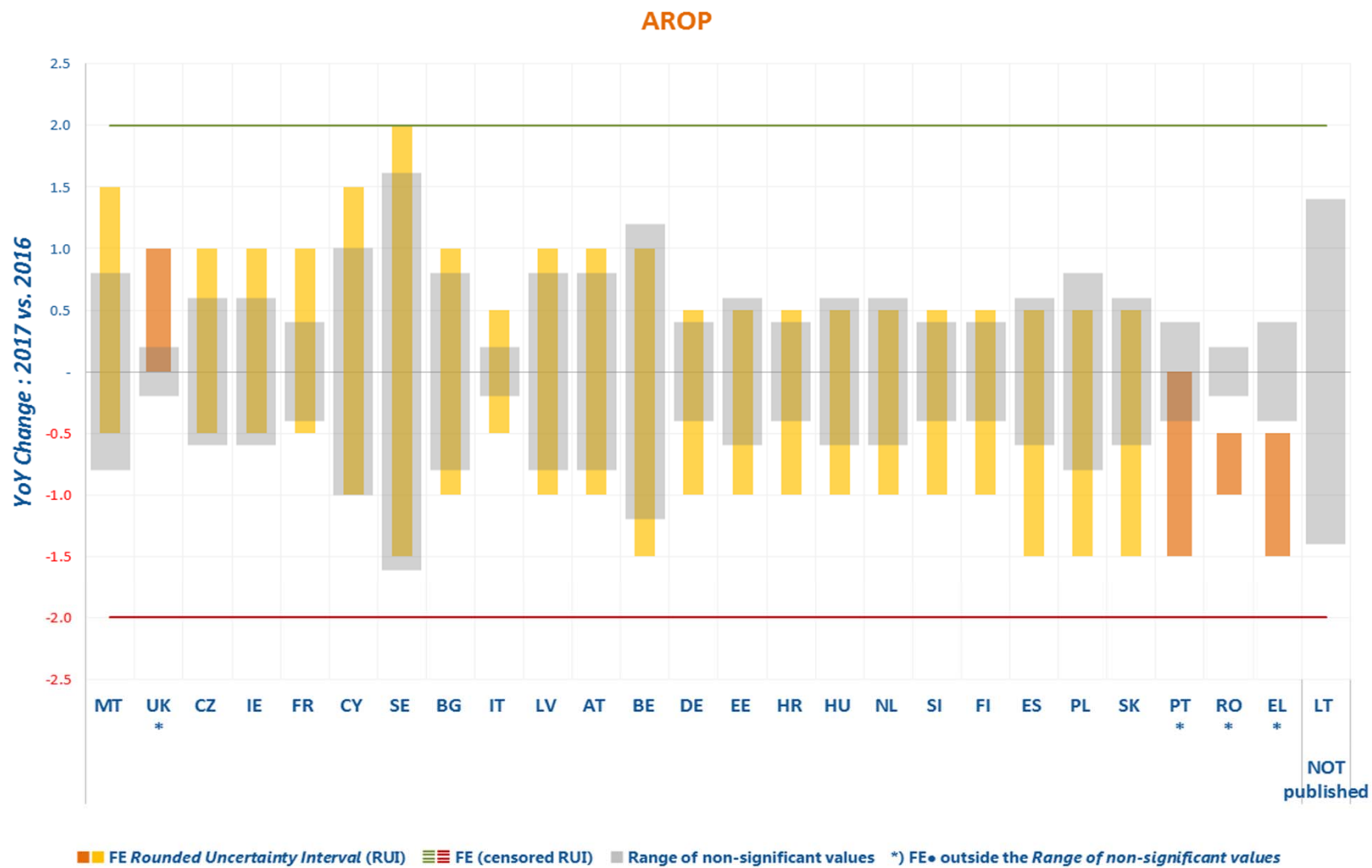


Some results →

Fe 2017: MEDIAN



Fe 2017: AROP



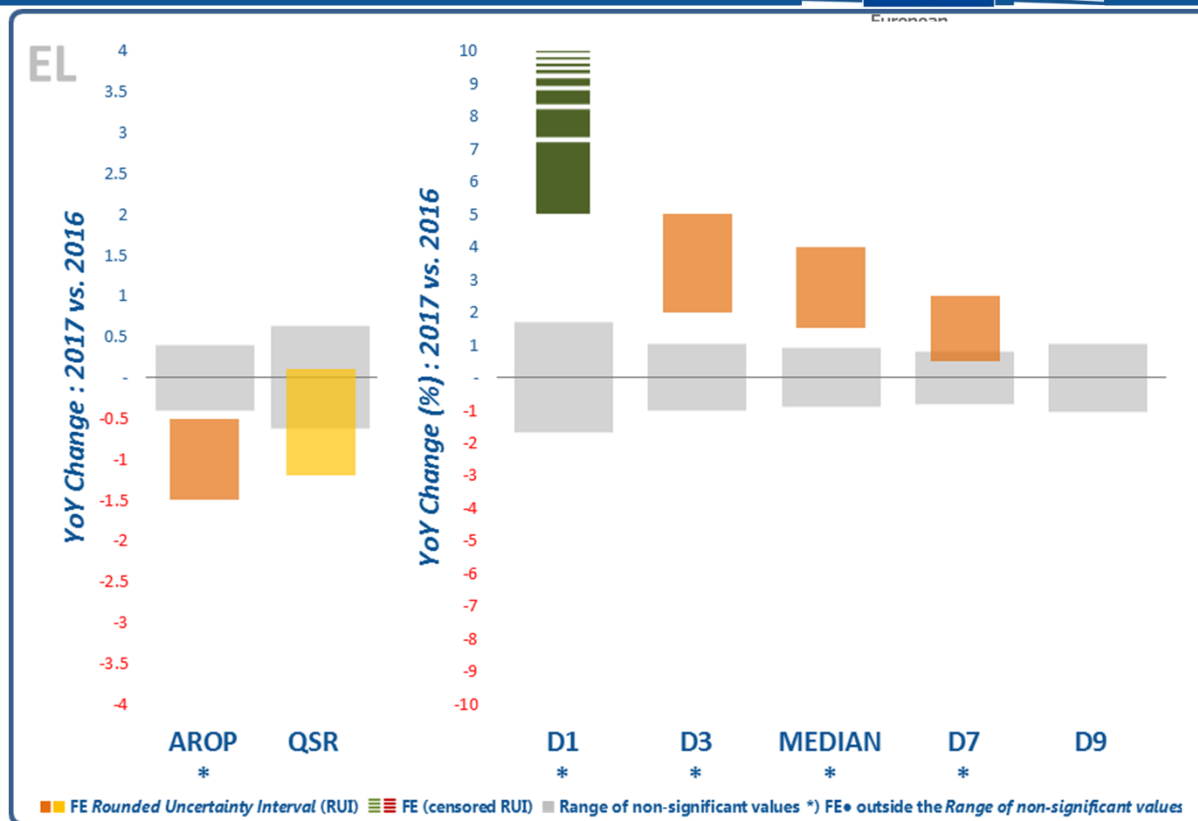
Separate effects



	-10	10	Policy Effects					Labour Effects				
Country	D1	D3	MEDIAN	D7	D9	D1	D3	MEDIAN	D7	D9		
BE				X	X				X	X		
BG												
CZ												
DE												
EE												
IE					X					X		
EL					X					X		
ES												
FR												
HR												
IT												
LT												
MT												
AT					X					X		
PL												
PT												
SI												
SK				X	X				X	X		
FI												
UK												

X) FE not published

Country focus



** "Policy changes in 2017 had a progressive effect on the income distribution. In particular, the lowest income decile reported substantial gains equal of disposable income. This increase was mainly driven by the introduction of guaranteed minimum income (GMI), which was provided to all households with incomes below a certain (low) threshold. "*

***EUROMOD (2018) "Effects of tax-benefit policy changes across the income distributions of the EU-28 countries: 2016-2017", EUROMOD Working Paper 4/18, Institute for Social and Economic Research, University of Essex**

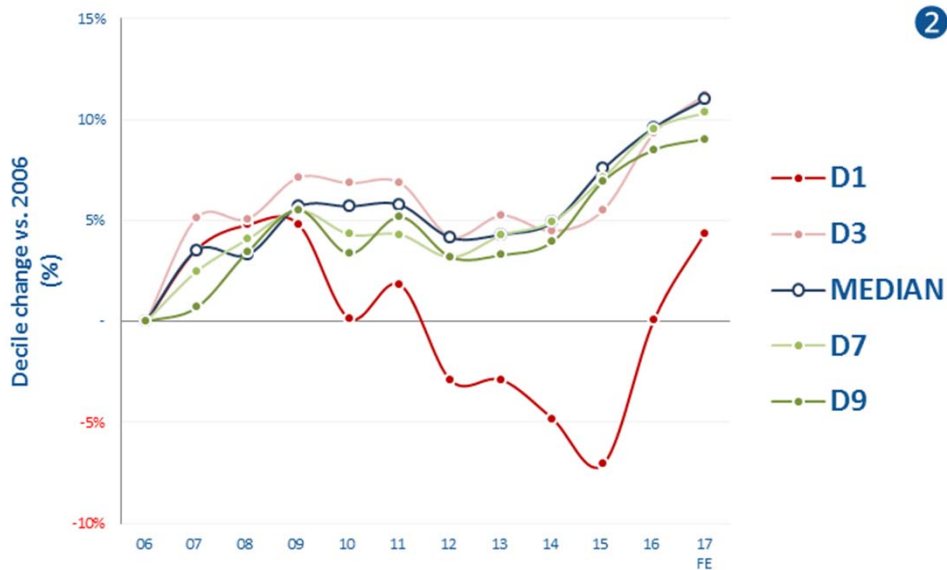
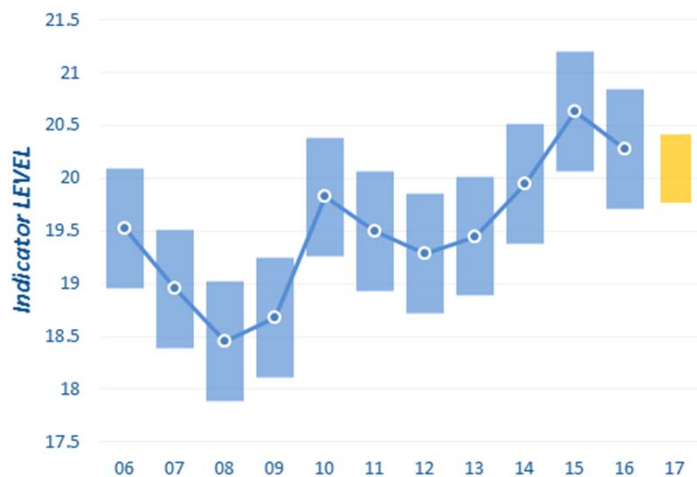
FE in time perspective



IT-AROP

IT-deciles

AROP



2

- *Dedicated page*

The screenshot shows the Eurostat website interface. At the top, there is a navigation bar with 'News', 'Data', 'Publications', 'About Eurostat', and 'Help'. Below this, a search bar and a 'Sign in | Register' link are visible. The main content area is titled 'INCOME INEQUALITY AND POVERTY INDICATORS'. A section titled 'Why do we need flash estimates of income inequality and poverty indicators?' is followed by a 'SEE ALSO' section with links to 'Dedicated section on EU-SILC related statistics', 'Europe 2020', and 'European Semester'. A 'Feedback' section is also present, with a red box highlighting the 'Access the statistics' link and its sub-links: 'Flash estimates 2017: experimental results', 'Country profiles and time series', 'Main tables', and 'Archive - 2016 data'. At the bottom, there is a footer with various links like 'News releases', 'Database', 'Publications', 'About us', and 'Opportunities'.



Access the statistics

[Flash estimates 2017: experimental results](#)

For more information see also:

[Country profiles and time series](#)

[Main tables](#)

[Archive - 2016 data](#)

Feedback

To help Eurostat improve these experimental statistics, users and researchers are kindly invited to give us the **feedback**:

The screenshot shows the Eurostat feedback form. It includes a 'Name' field, a 'Filter form request' button, and a 'Send my request' button. Below this, there is a 'Feedback' section with a 'Telephone number' field, a 'User type' dropdown, and a 'Support type' dropdown. The 'Description' field is a large text area. There are also 'Supplement information' and 'Upload the supporting document' sections. At the bottom, there are 'Done' and 'Reset' buttons.