

Session A:

Poverty and Social Exclusion in the European Union

1. The variation in the at-risk-of-poverty across Member States is quite substantial.

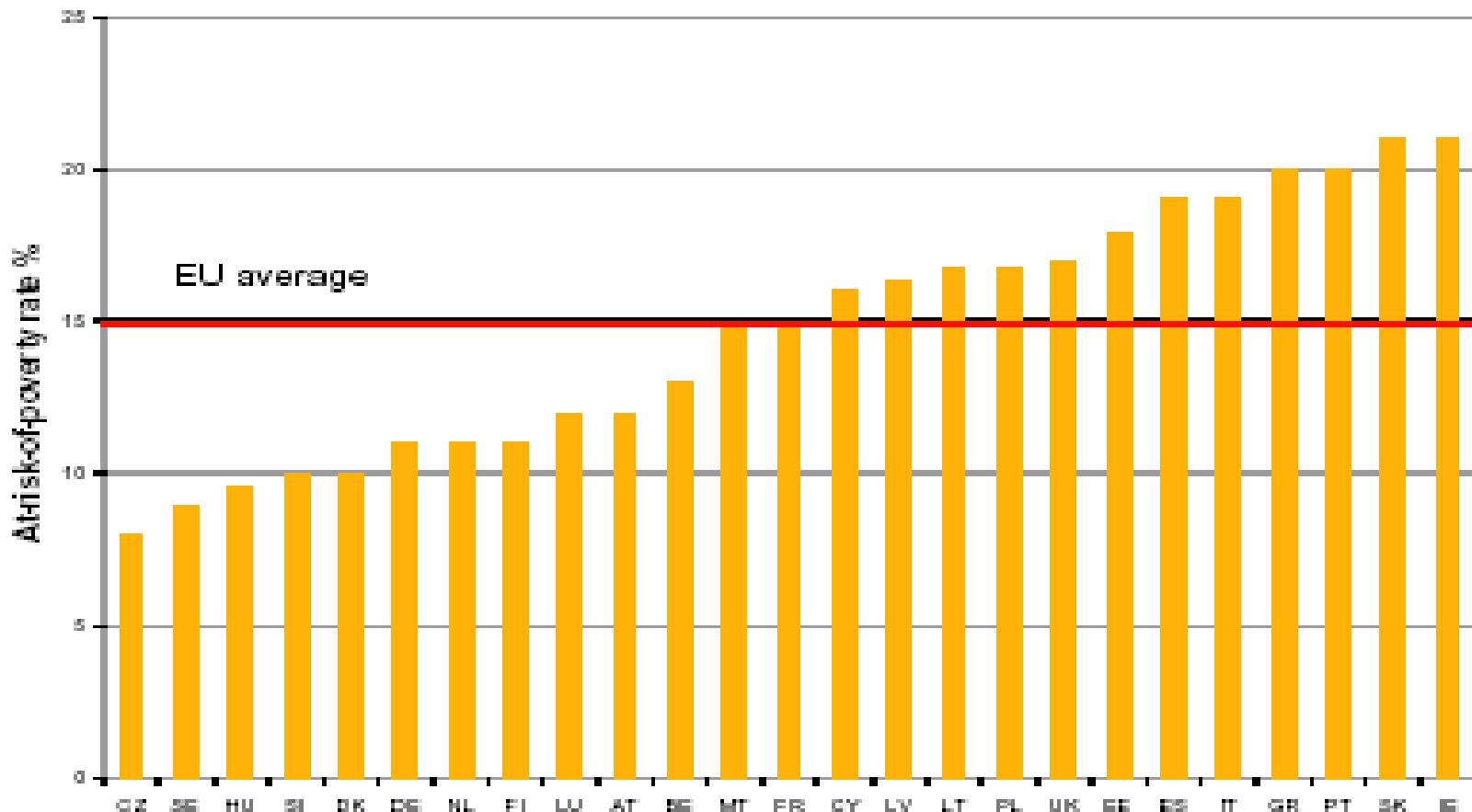


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Bea CANTILLON (2/21)

Figure 3.1 At-risk-of-poverty Rate for EU-25



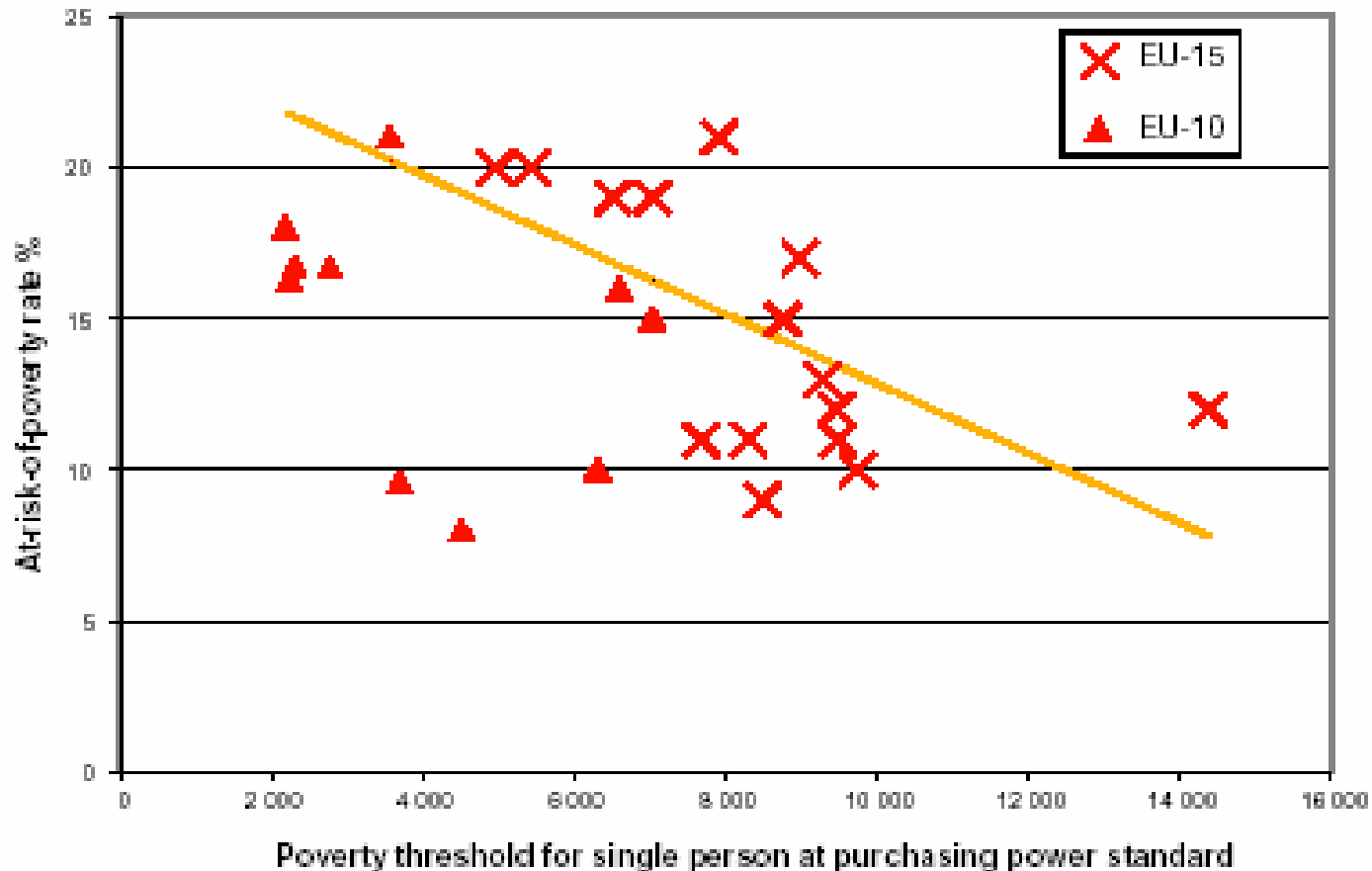
2. According to their risk of poverty and overall purchasing power, four different clusters of countries can be identified within Europe.
- rich, low-risk countries
 - poor, low-risk countries
 - rich, high-risk countries
 - poor, high-risk countries

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Figure 3.3 Poverty Risk Plotted Against Poverty Threshold (PPS) for EU-25

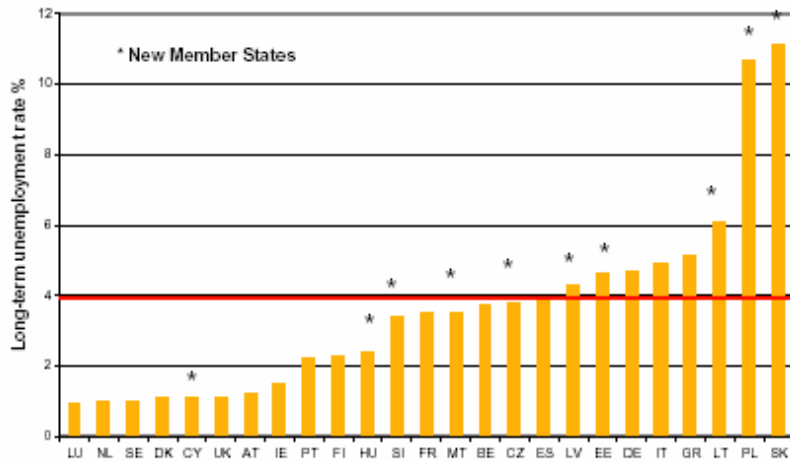


3. There are 12 million long-term unemployed, 27 million adults living in jobless households and 6 millions early school leavers. Again, the variation across Member States is very substantial.

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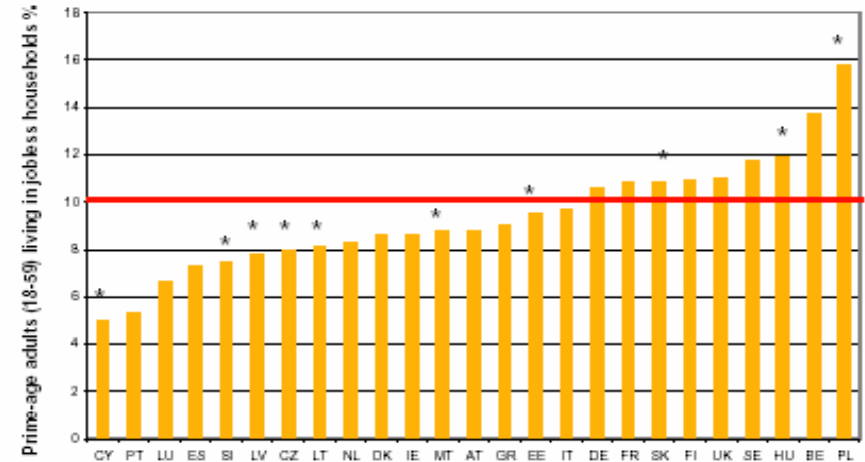
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Figure 3.6 Long-term Unemployment Rate for EU-25 (2003)



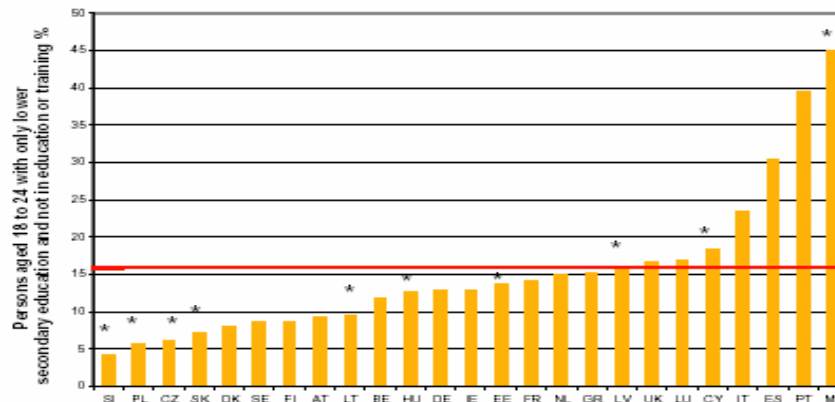
Source: European Commission, 2005b, Table 5a

Figure 3.7 Prime-Age Adults Living in Jobless Households for EU-25 (2004)



Source: European Commission, 2005b, Table 5a; figure for SE relates to 1999.

Figure 3.8 Early School Leavers not in Education or Training for EU-25 (2004)



Source: European Commission, 2005b, Table 6a; figures for LU and NL relate to 2003.



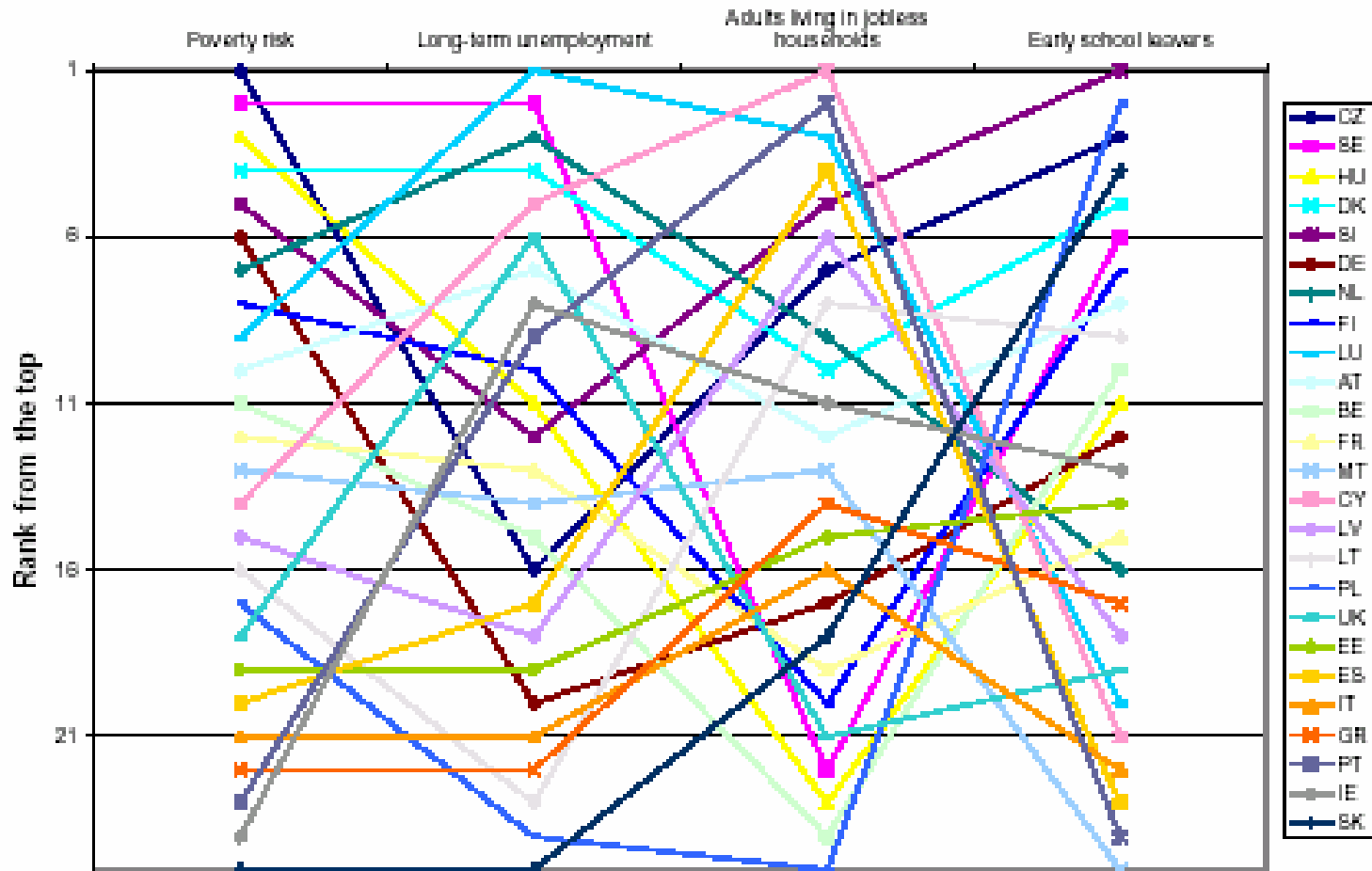
4. The ranking of countries changes considerably as we move to non-income-related indicators, and within these indicators.

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Figure 3.11 Rankings of EU-25 countries



5. The same high risk groups appear in almost all countries: women, children, elderly, the unemployed and pensioners, households with three or more children, single parents and single persons.

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Table 3.5 At-risk-of-poverty (60%): Breakdowns for the 25 EU Member States

	AT	BE	DE	DK	FR	FI	LU	NL	SE	CZ	HU	SI	CY	ES	EE	GR	LT	LV	PT	PL	SK	IT	IE	MT	UK
Women	-	-	-	-	-	-	+	+	-	=	+	-	-	=	-	-	+	=	+	+	+	=	-	+	-
Men	+	+	+	-	+	+	+	+	+	+	+	+	=	+	+	+	+	=	+	+	+	+	+	+	+
0-15	-	+	-	++	-	++	-	-	+	-	-	++	=	-	=	+	-	-	-	-	-	-	-	-	-
16-24	+	+	-	-	-	-	-	-	-	-	-	=	++	-	-	+	-	-	+	-	-	-	++	++	-
25-49	++	+	+	++	+	++	+	+	++	+	+	+	++	+	+	++	=	=	+	-	=	+	+	+	++
50-64	+	+	+	++	+	+	+	++	++	++	++	=	+	+	-	-	+	-	+	++	++	+	+	+	++
65+	-	-	-	-	-	-	++	++	-	+	+	-	-	-	+	-	++	++	-	++	++	+	-	-	-
Single Women	-	-	-	-	-	-	=	+	-	-	-	-	-	-	-	-	-	-	-	++	-	-	-	-	-
Single Men	+	+	-	-	-	-	++	-	-	-	-	-	-	+	-	+	-	-	-	-	-	+	-	-	-
Single 65+	-	-	-	-	-	-	++	++	-	-	-	-	-	-	-	-	-	-	-	++	=	-	-	-	-
60% Couple 65- no Child	+	++	++	++	++	++	++	++	++	++	++	-	++	++	++	+	+	+	++	++	++	++	++	++	++
Couple 1 Child	++	++	+	++	++	++	-	+	++	+	+	-	++	+	++	++	+	+	++	++	-	++	+	+	++
Couple 2 Children	++	+	++	++	+	++	-	+	++	=	++	++	++	-	+	++	+	-	+	+	-	-	+	-	++
Couple 3 Children	-	++	-	-	-	++	-	-	+	-	-	++	=	-	-	-	-	-	-	-	-	-	-	-	-
Single Parents	-	-	-	-	-	=	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employees	++	++	++	++	++	++	++	:	++	++	++	++	++	++	++	++	++	++	++	++	++	++	++	:	++
Self-Employed	-	+	++	-	-	-	++	:	-	+	++	++	++	-	++	-	-	-	-	-	-	+	+	:	+
Unemployed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensioners	-	-	-	-	-	-	++	++	-	++	+	-	-	+	-	-	+	+	-	++	++	++	-	-	-

Notes: '++' best performing quartile;
 '+' between median and best performing quartile;
 '-' between median and worst performing quartile;
 '--' worst performing quartile;
 ':' unknown.
 In borderline cases, the classification is given as + (-) rather than ++ (--).



6. When it comes to establishing best practices there are also a number of interesting differences.



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Men	+	+	+	-	+	+	+	+	+	+	+	+	=	+	+	+	+	=	+	+	+	+	+	+	+
0-15	-	+	-	++	-	++	-	-	+	-	-	++	=	-	=	+	-	-	-	-	-	-	-	-	-
16-24	+	+	-	-	-	-	-	-	-	-	-	=	++	-	-	+	-	-	+	-	-	-	++	++	-
25-49	++	+	+	++	+	++	+	+	++	+	+	+	++	+	+	++	=	=	+	-	=	+	+	+	++
50-64	+	+	+	++	+	+	+	++	++	++	++	=	+	+	-	-	+	-	+	++	++	+	+	+	++
65+	-	-	-	-	-	-	++	++	-	+	+	-	-	-	+	-	++	++	-	++	++	+	-	-	-
Single Women	-	-	-	-	-	-	=	+	-	-	-	-	-	-	-	-	-	-	-	++	-	-	-	-	-
Single Men	+	+	-	-	-	-	++	-	-	-	-	-	-	+	-	+	-	-	-	-	-	+	-	-	-
Single 65+	-	-	-	-	-	-	++	++	-	-	-	-	-	-	-	-	-	-	-	++	=	-	-	-	-
60% Couple 65- no Child	+	++	++	++	++	++	++	++	++	++	++	-	++	++	++	+	+	+	++	++	++	++	++	++	++
Couple 1 Child	++	++	+	++	++	++	-	+	++	+	+	-	++	+	++	++	+	+	++	++	-	++	+	+	++
Couple 2 Children	++	+	++	++	+	++	-	+	++	=	++	++	++	-	+	++	+	-	+	+	-	-	+	-	++
Couple 3 Children	-	++	-	-	-	++	-	-	+	-	-	++	=	-	-	-	-	-	-	-	-	-	-	-	-
Single Parents	-	-	-	-	-	=	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Employees	++	++	++	++	++	++	++	:	++	++	++	++	++	++	++	++	++	++	++	++	++	++	++	:	++
Self-Employed	-	+	++	-	-	-	++	:	-	+	++	++	++	-	++	-	-	-	-	-	-	+	+	:	+
Unemployed	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensioners	-	-	-	-	-	-	++	++	-	++	+	-	-	+	-	-	+	+	-	++	++	++	-	-	-

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7. In a large number of the Member States, including all the larger ones, more than one person in ten aged 18-24 has only a low level of educational qualification and is not currently in education or training.

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Table 3.3 Correlation Coefficients between Different Indicators

EU-15			
Correlation Coefficient between			
	Long-term Unemployment	Adults Living in Jobless Households	Early School Leavers
At-Risk-of-Poverty Rate	0,406	-0,362	0,657
Long-term Unemployment	-	0,210	0,256
Adults Living in Jobless Households	-	-	-0,623
EU-25			
Correlation Coefficient between			
	Long-term Unemployment	Adults Living in Jobless Households	Early School Leavers
At-Risk-of-Poverty Rate	0,421	-0,123	0,400
Long-term Unemployment	-	0,443	-0,183
Adults Living in Jobless Households	-	-	-0,400

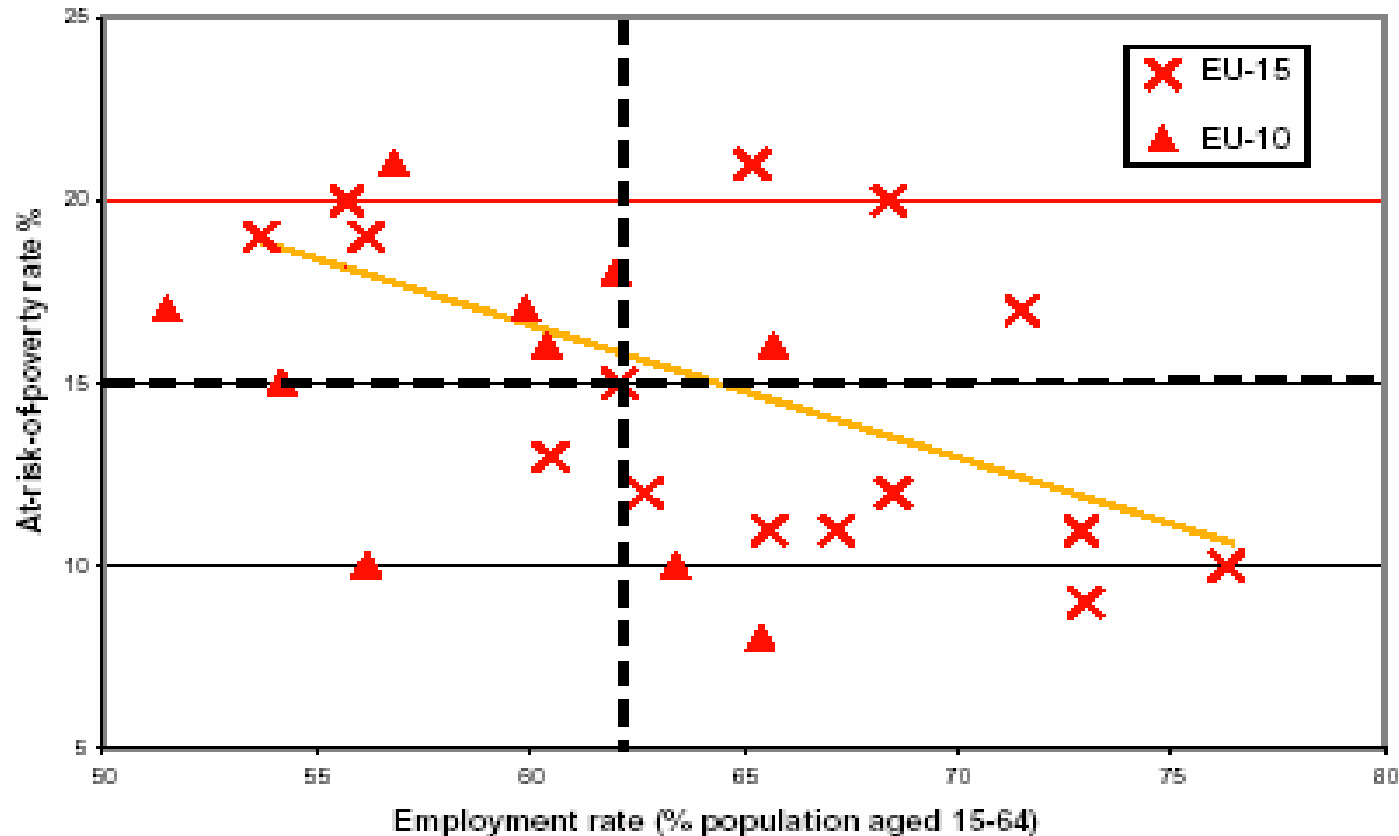
8. The association between the employment related indicators and the at-risk-of-poverty rate is modest, and in the case of joblessness non-existent.

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Bea CANTILLON (16/21)

Figure 3.16 Employment Rate and Poverty Risk for EU-25

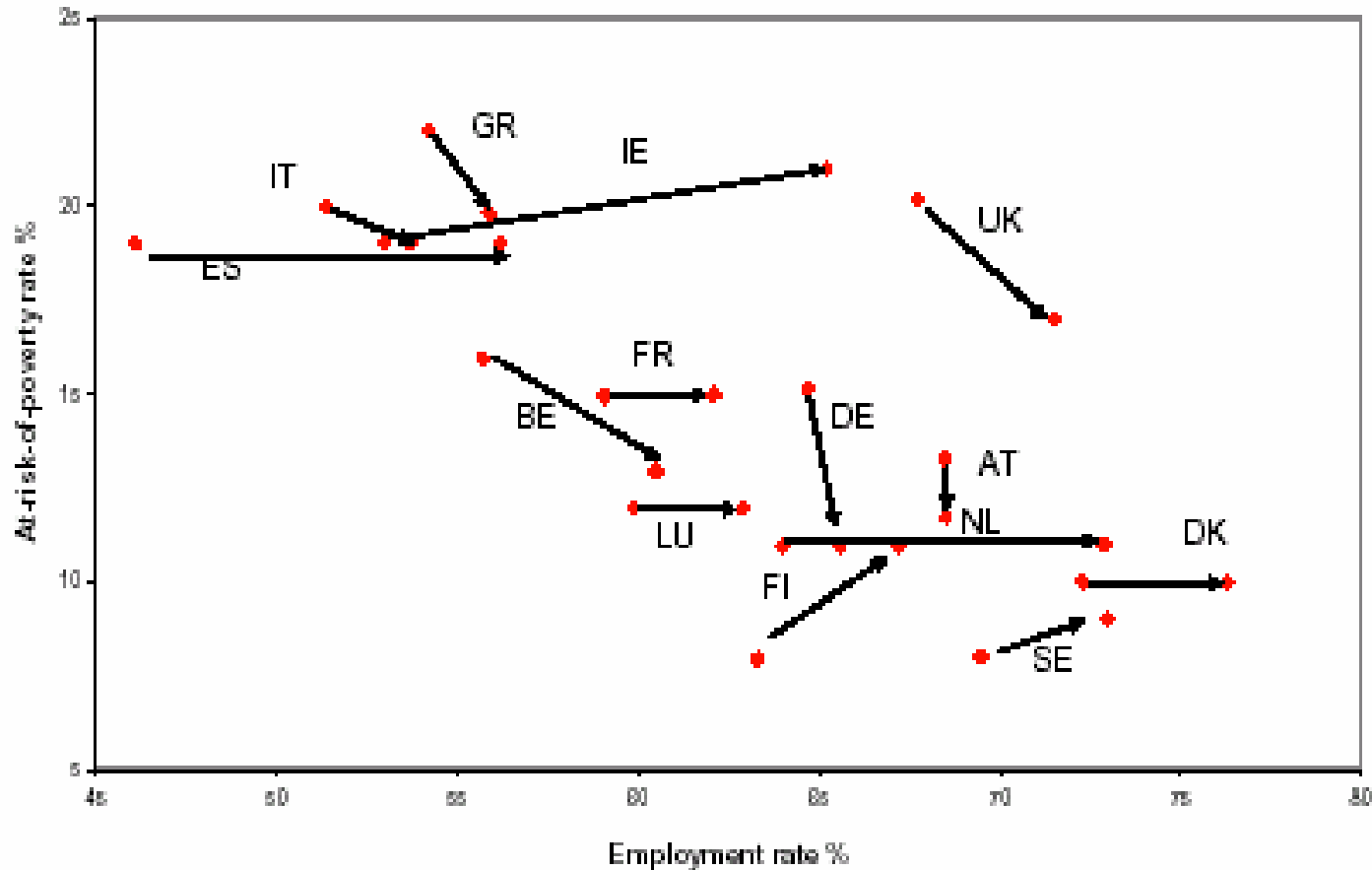


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Figure 3.17a Changes in Employment Rate and Risk of Poverty 1994-2000 for EU-15

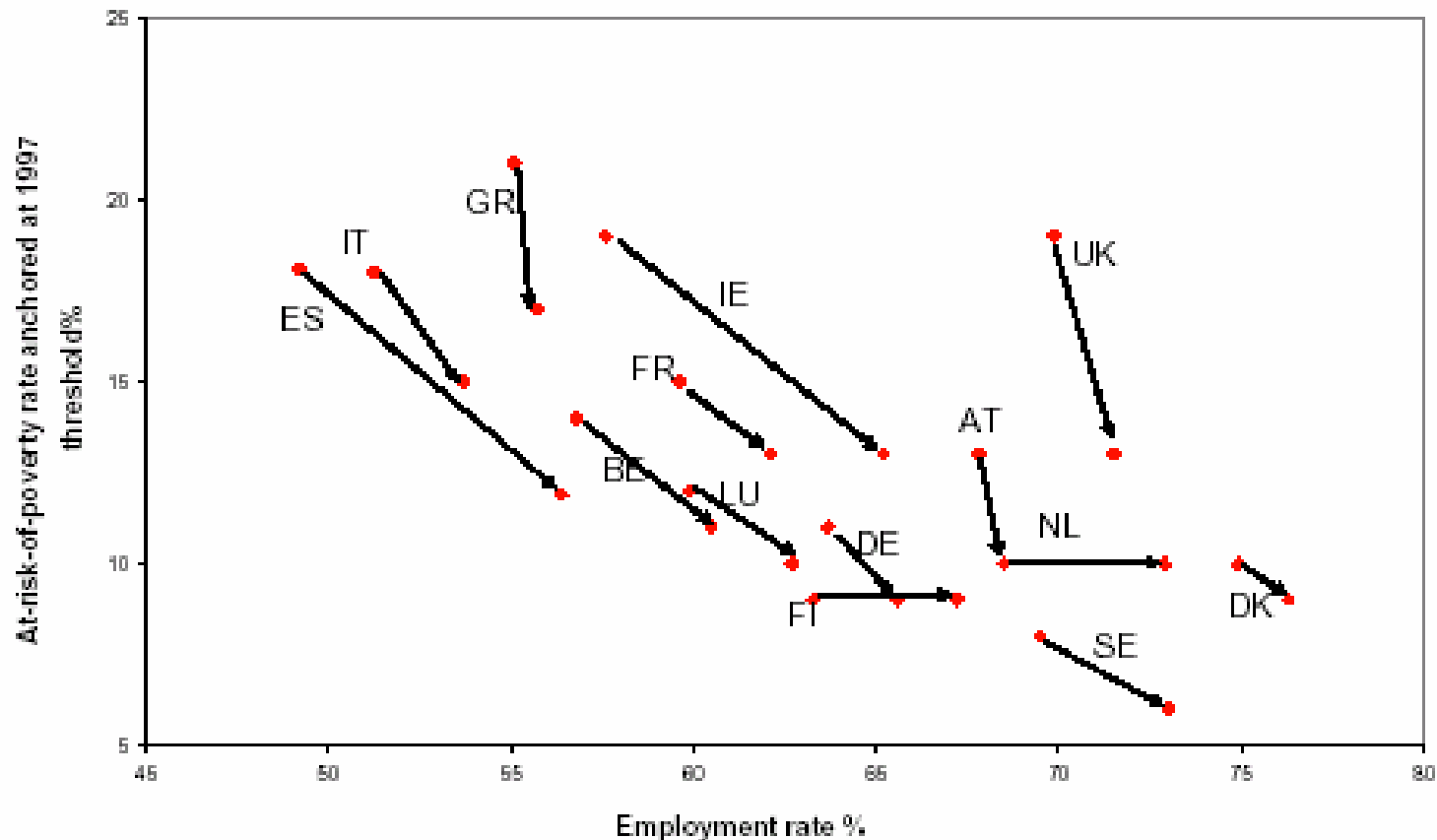


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Figure 3.17b Changes in Employment Rate and Anchored Risk of Poverty 1997-2000 for EU-15



9. The common EU-indicators confirm the already well established link between the level of social expenditure and poverty.

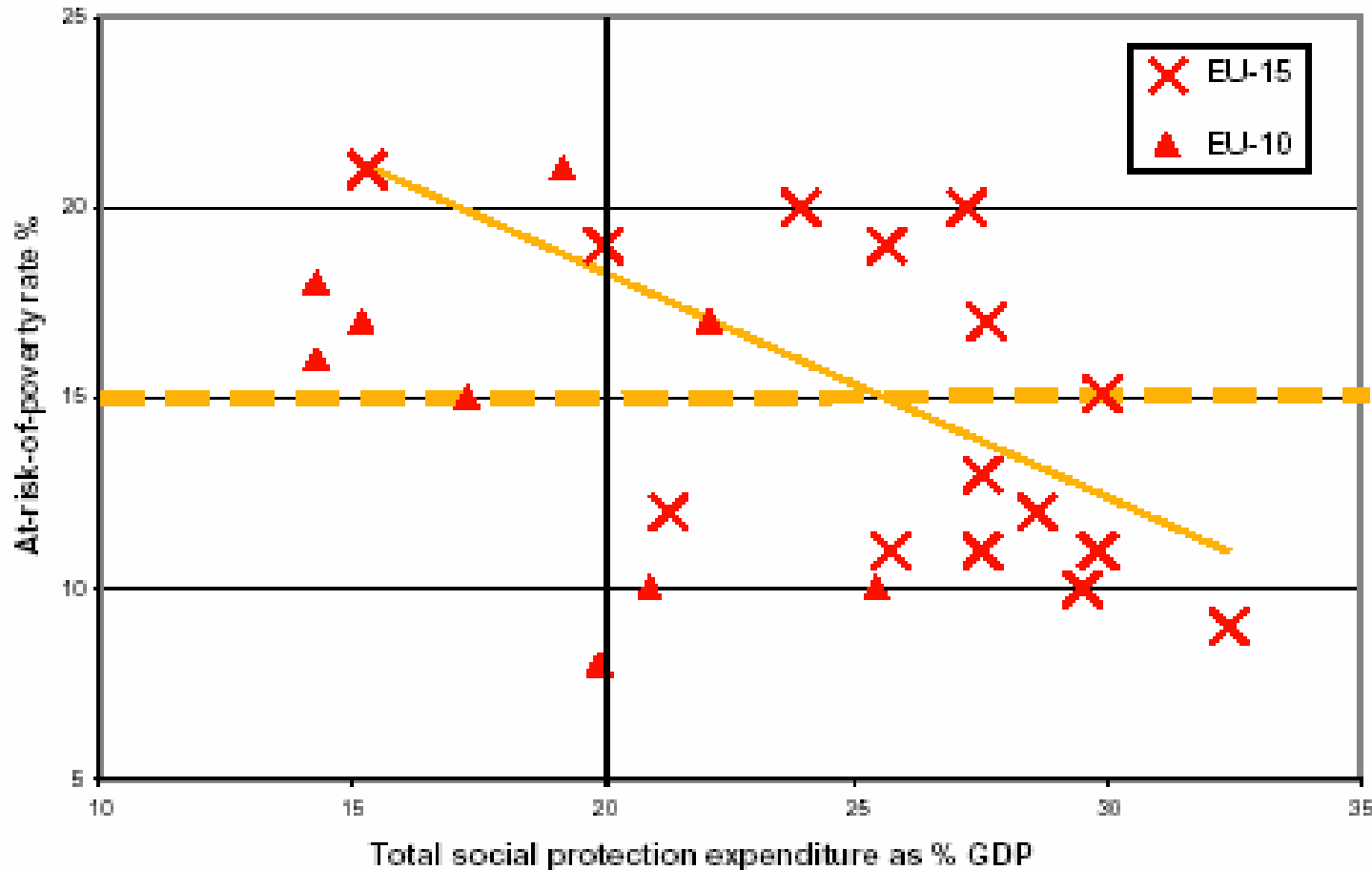


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Figure 3.13 Social Protection Expenditure and Poverty Risk for EU-25



10. Although the indicators have to be used and interpreted with care, they can be used
- to provide a baseline against which to judge progress,
 - to explore the underlying mechanisms and
 - to identify best practices.

They can and should thus be integrated into the central part of the NAPs/inclusion in which the national policies to combat poverty and social exclusion are identified.