



Social crisis monitoring: Covid-19 and beyond

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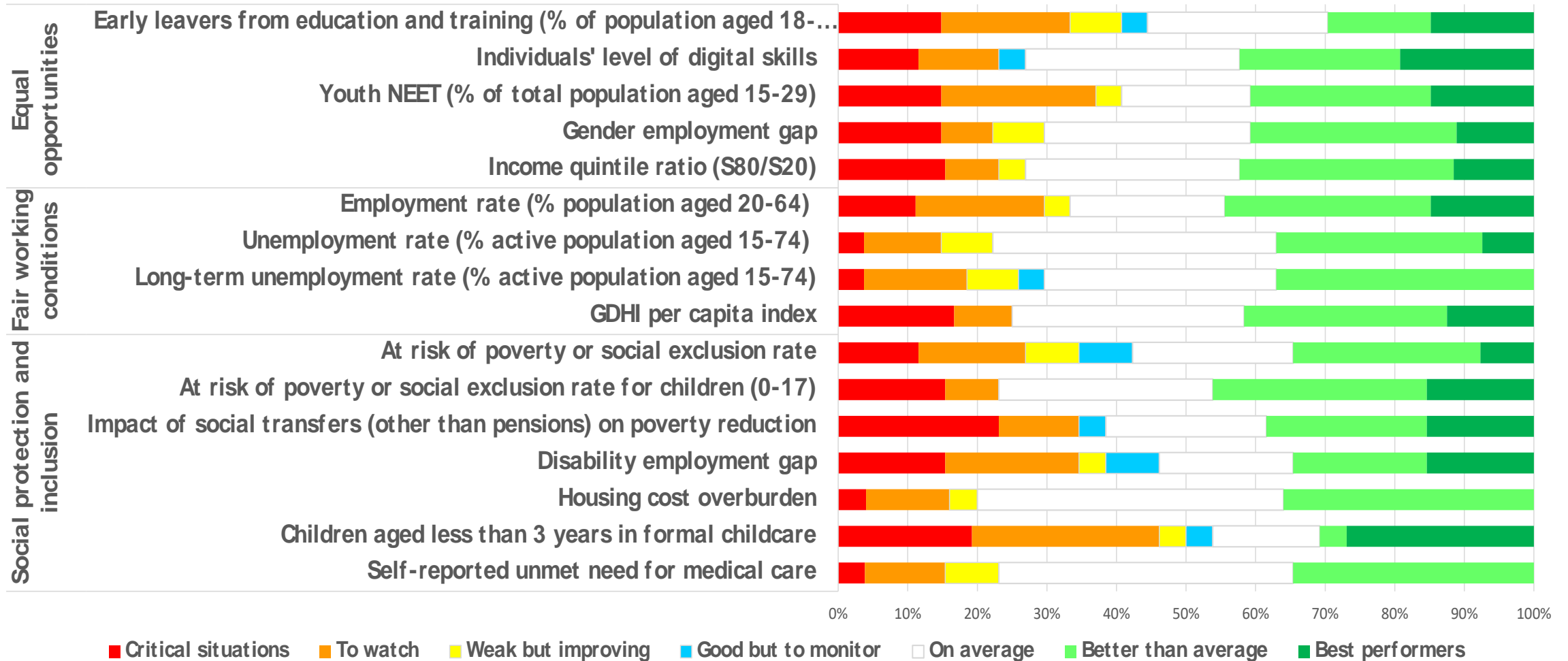
Structure

- 1) EU social monitoring
- 2) Administrative data
- 3) Flash estimates
- 4) Other information and further avenues
- 5) Ex-post look at 2020-21

EU social monitoring

- Key tools : social Scoreboard / SPPM
- Timeliness issues are not new – more acute in times of crisis
 - Some indicators are more timely (UR/GHDI)
 - Some are less timely (SILC – though progress with new regulation)

Social Scoreboard

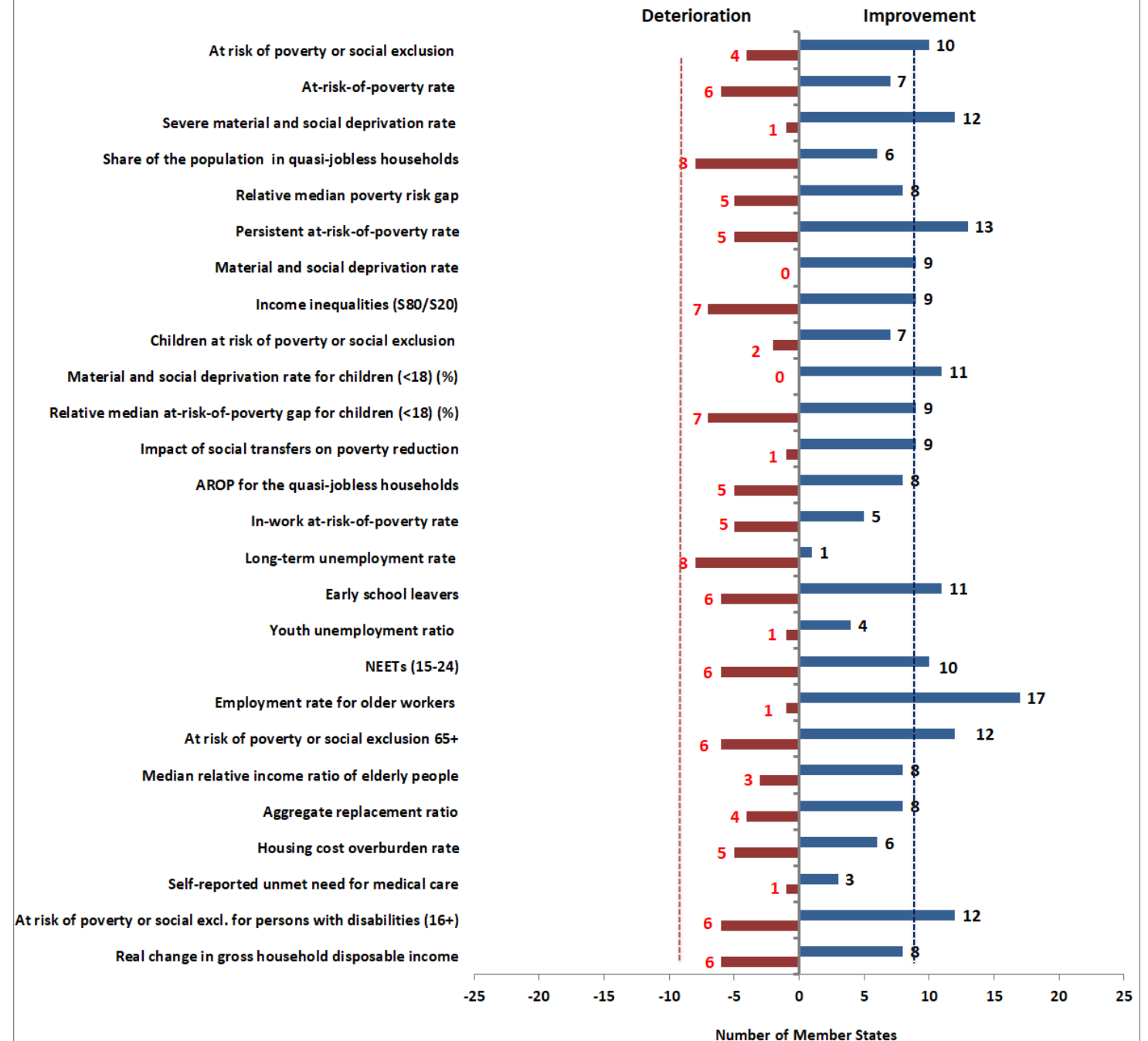


⁴Source: Joint Employment Report 2022

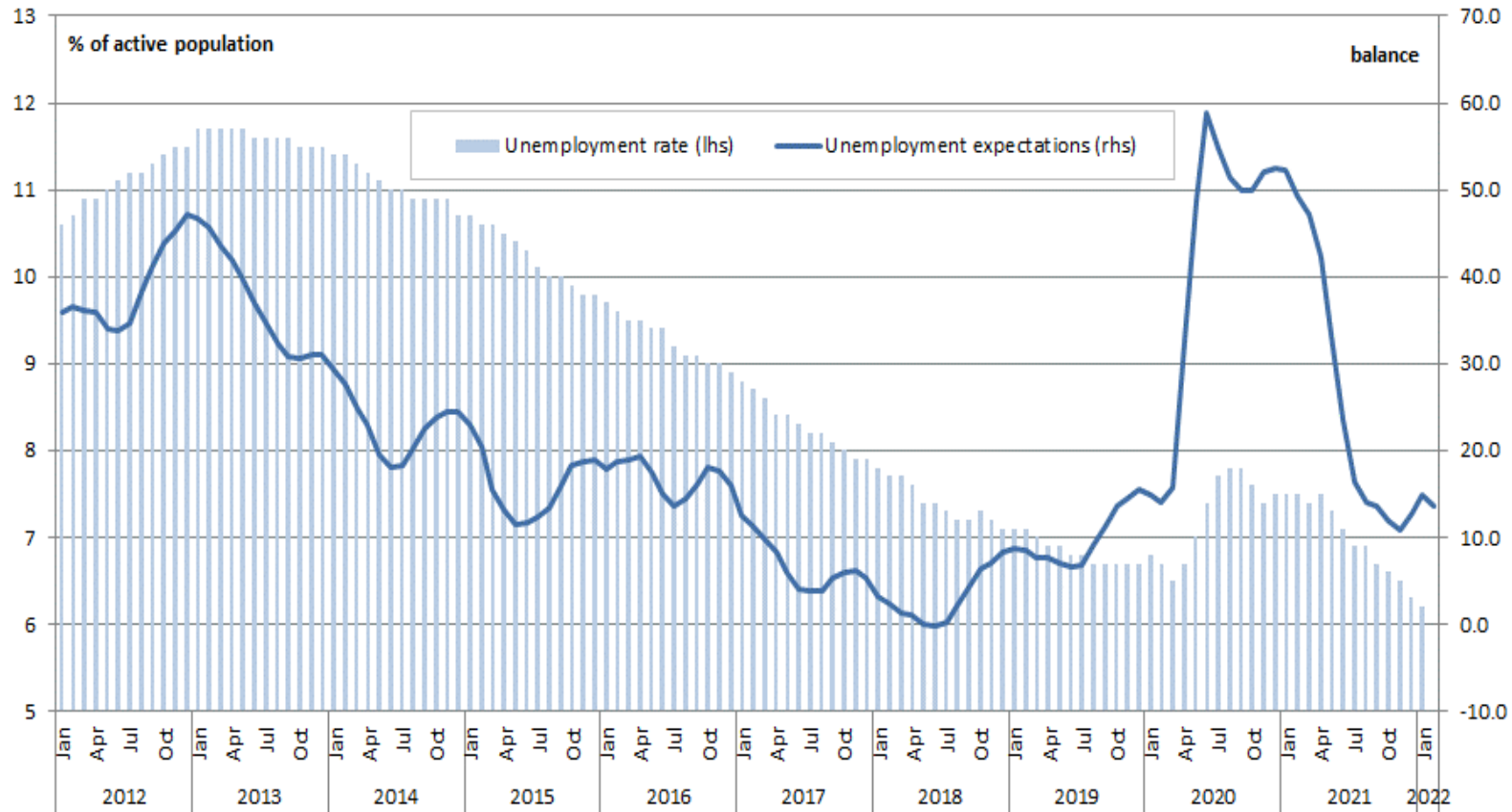
Note: 1) data for the indicator on adult participation in learning not available; 2) data refer to 2020, data for indicator on digital skills refers to 2019

SPPM

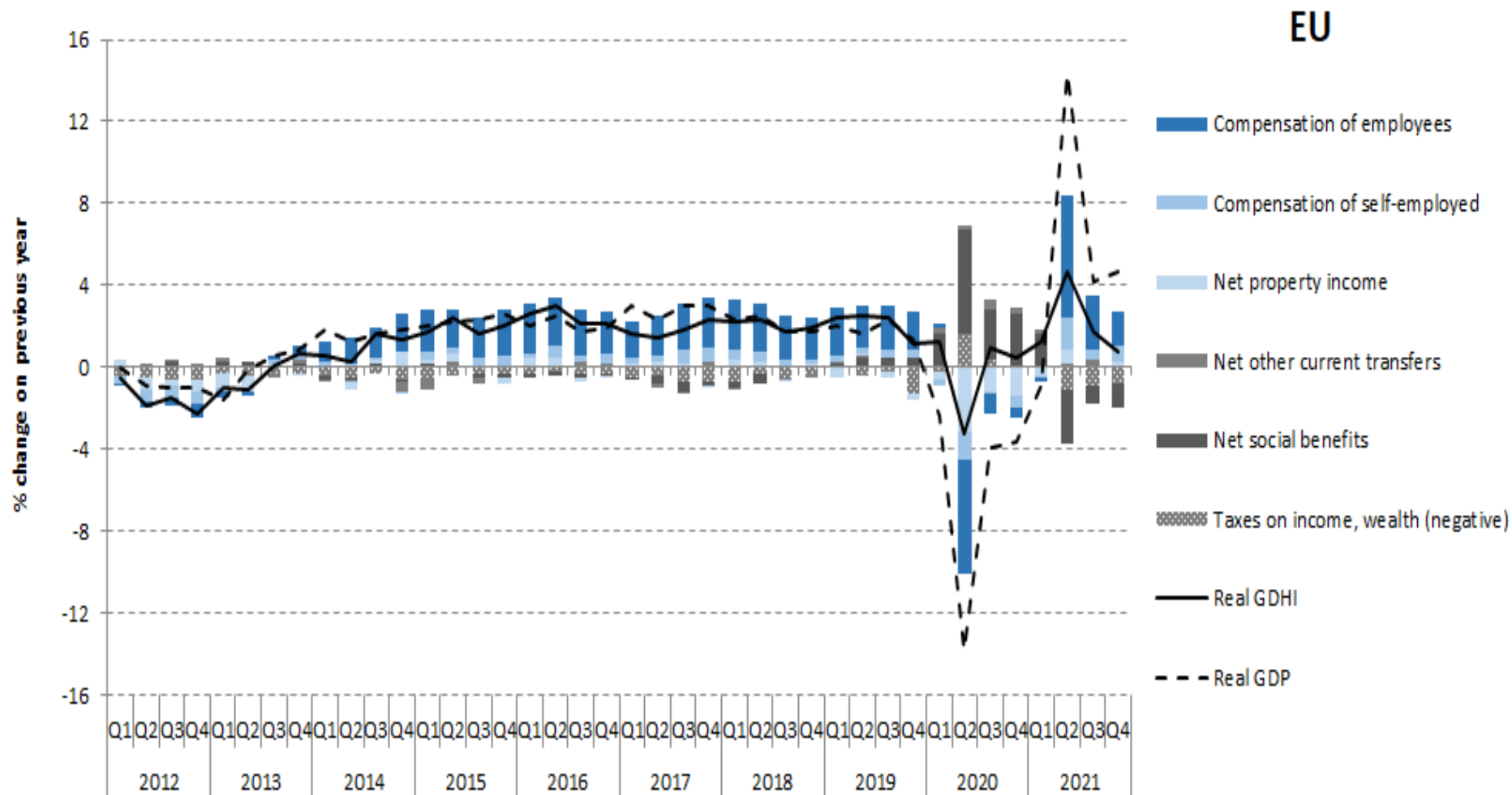
Areas of deterioration
(social trends to watch)
and improvement for
the period 2020-2021
(or latest year
available)



Unemployment rate versus unemployment expectations in the EU



Real GDP growth, real GDHI growth and its main components - EU



Administrative data

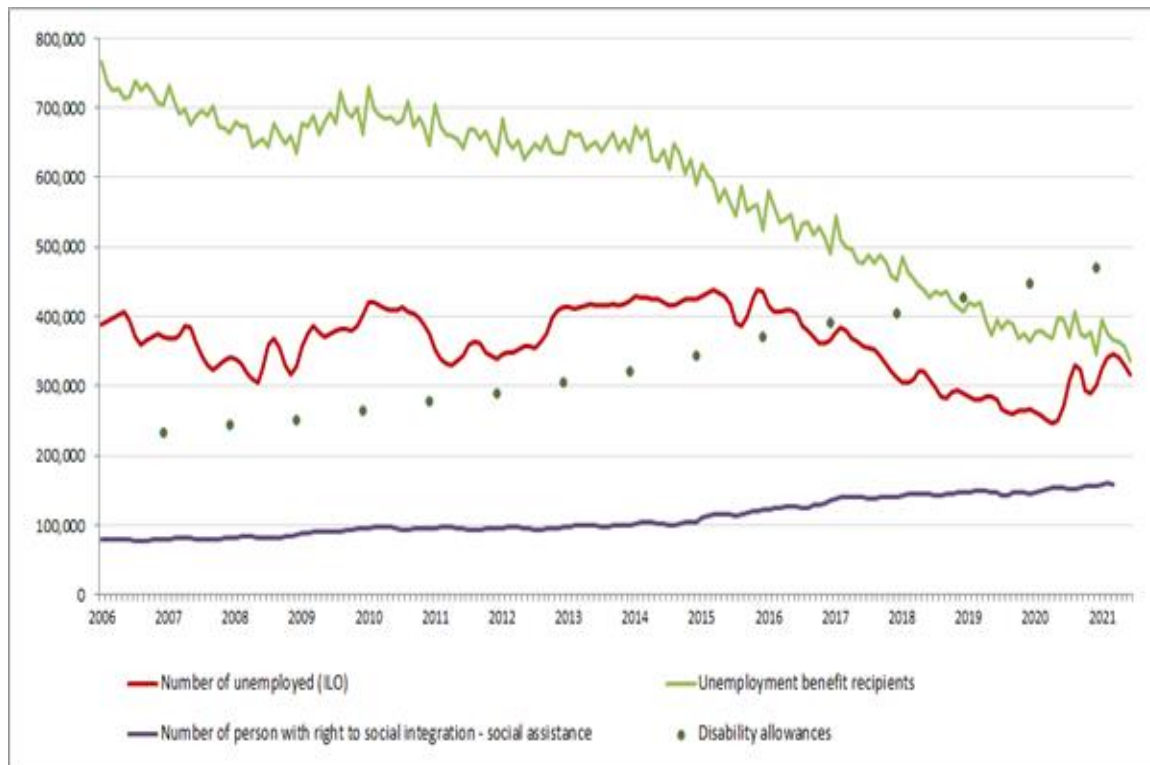
- Key element already in 2008 crisis – essential for timely monitoring – not really comparable but provides trends
- Collection every year through SPC ISG since 2008
- And specific collection in crisis times through SPC /EMCO

Administrative data

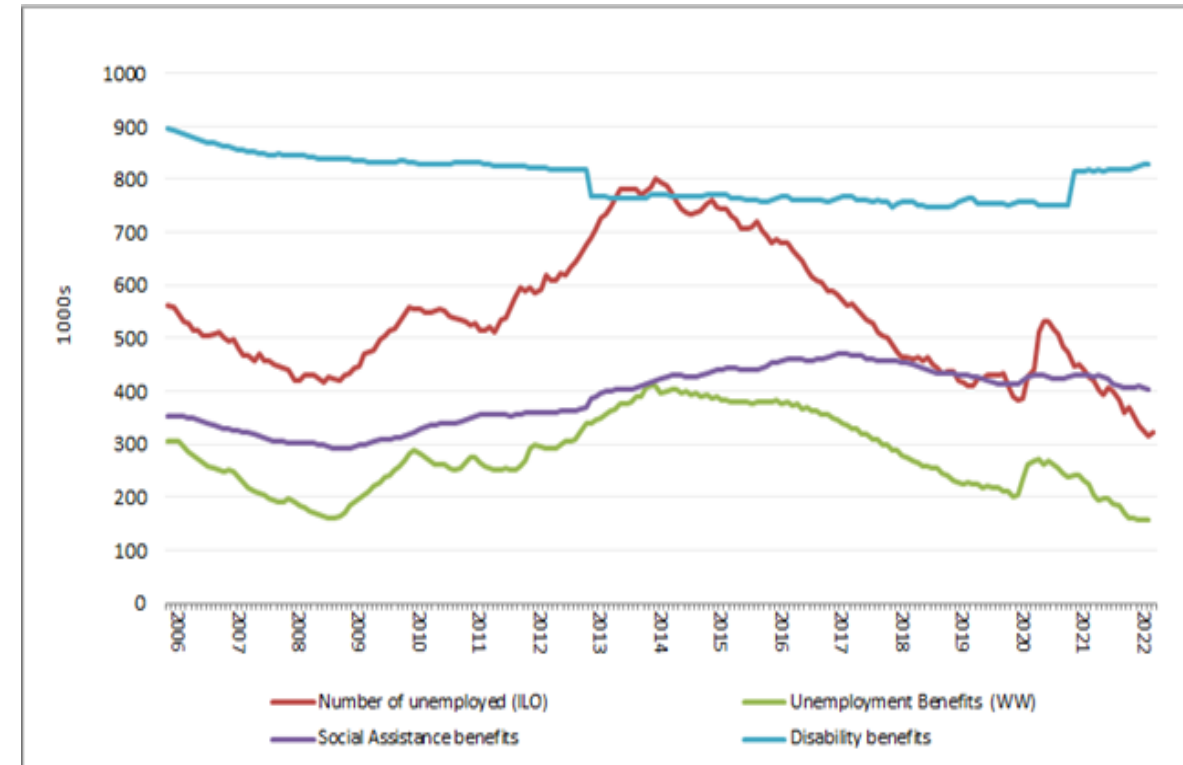
- Main take aways from latest figures (generally covering up to spring or early summer 2022 for around three-quarters of Member States):
 - Emergency support measures and STW prevented a sudden, substantial increase of unemployment.
 - With few exceptions there was an (often sharp) uptick in unemployment benefit recipients in Member States in the months following the COVID outbreak (especially in BG, EE, HU, MT, RO and SK). The numbers of unemployment benefit recipients have generally fallen back below the levels just before the pandemic hit (and particularly so in DK, HR, CY, MT, RO) and SI, with only a few exceptions (EE, HU, PT, SE).
 - For most countries there was not much to signal initially in terms of increases in the number of recipients of social assistance benefits during the COVID pandemic.

Standard benefit recipients data – number of benefit recipients

Belgium



Netherlands



Covid related measures – number of benefit recipients

Table 8: Comparison of the maximum available monthly figure in the period April 2020 – April 2021 for the number of recipients of STW or similar measures to the active population in the corresponding quarter of 2020/21 (%)

BG	SE	FI	LV	PL	RO	DE	EL	SK	SI	PT	EE	IE	IT	BE	AT	NL	ES	FR	MT	HR	CY	LU
4.9	6.2	6.7	6.8	8.8	13.3	13.6	15.0	15.2	17.2	17.4	17.5	21.3	22.7	22.9	23.4	28.8	29.1	29.3	31.5	32.5	33.5	42.0

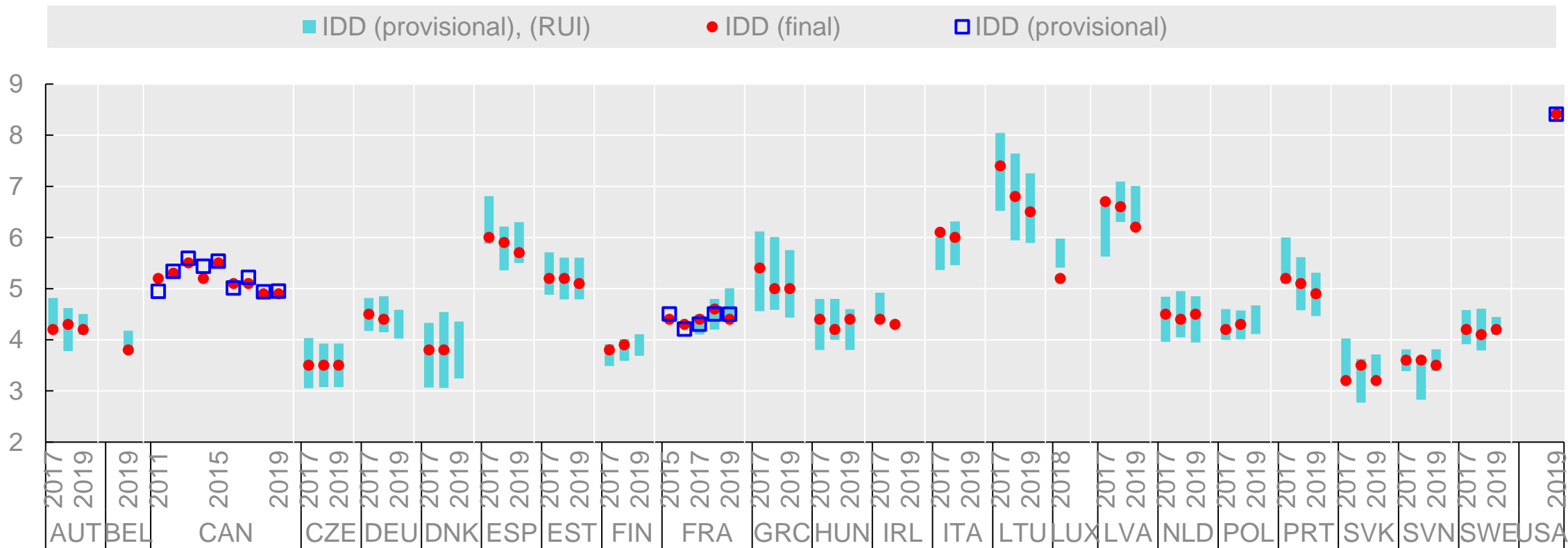
Source: SPC annual report - based on EMCO/ SPC data collection on crisis support measure recipients and Eurostat LFS.

Flash estimates

- Not new either - requires prior investments – at EU level provided by Eurostat for some years
 - used in the semester and JER
 - Flash estimates can be confronted ex-post to actual developments - exercise done by Eurostat – good fit in general
- Also used beyond EU : US/CAN
- In 2020 specific study from JRC (based on economic forecasts)
- Also directly relates to DIA and ability to assess distributional impact assessment of new policies

Flash estimates – Accuracy in previous years provisional estimates were usually in line with final estimates

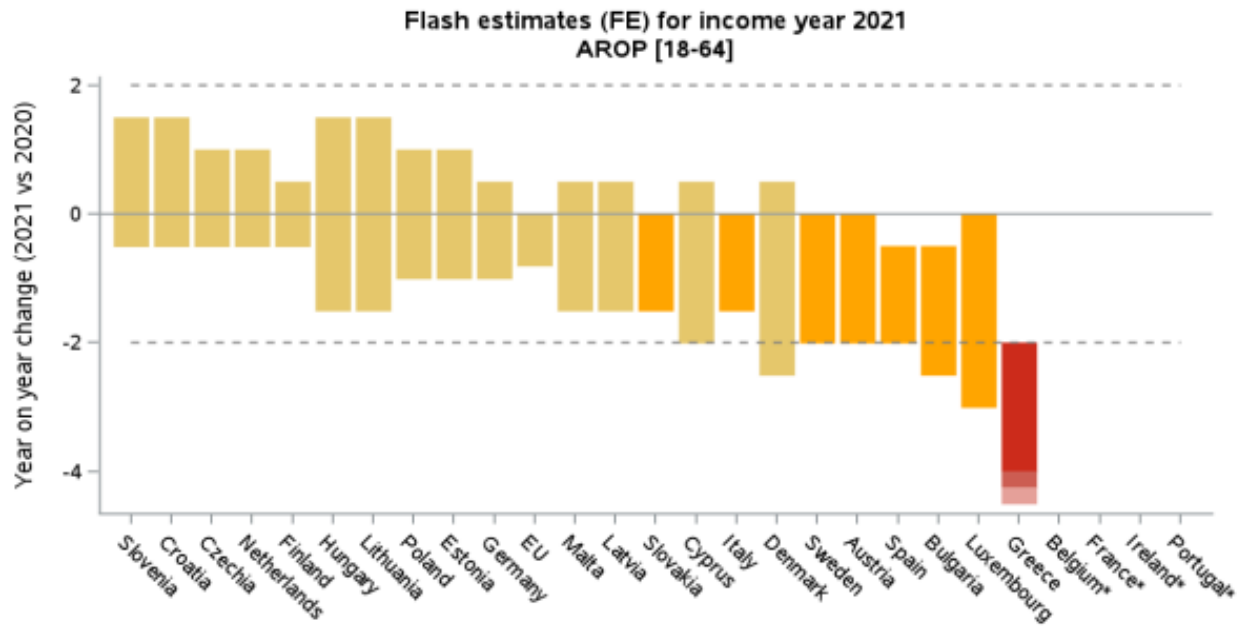
Provisional and final estimates of S80/S20



Source: OECD calculations based on Eurostat (2021), Income inequality and poverty indicators - Experimental statistics (database), <https://ec.europa.eu/eurostat/web/experimental-statistics/income-inequality-and-poverty-indicators>. Statistics Canada (2021), Distributions of household economic accounts for income, consumption and saving of Canadian households, fourth quarter 2020 (tables), <https://www150.statcan.gc.ca/n1/daily-quotidien/210907/dq210907a-eng.htm>. US Census Bureau (2021), Current Population Survey Annual Social and Economic Supplements (database), <https://www.census.gov/data/datasets/time-series/demo/cps/cps-asec.2021.html>, and OECD Income Distribution Database, <https://oe.cd/idd>.

Flash estimates - Income evolution in 2021

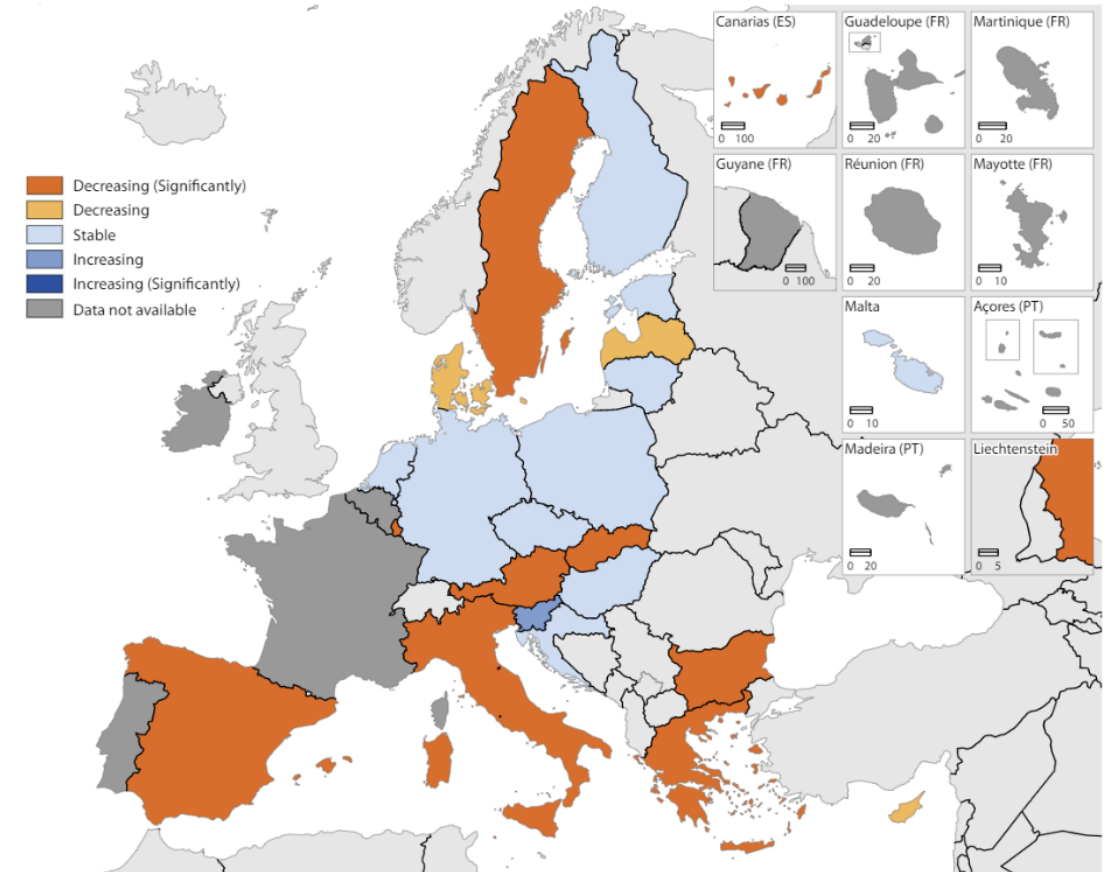
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■ [RUI] Censored down ■ [RUI] NON-Significant YOY change ■ [RUI] Significant YOY change

In descending order of year-on-year change
Romania: not available
* Not published

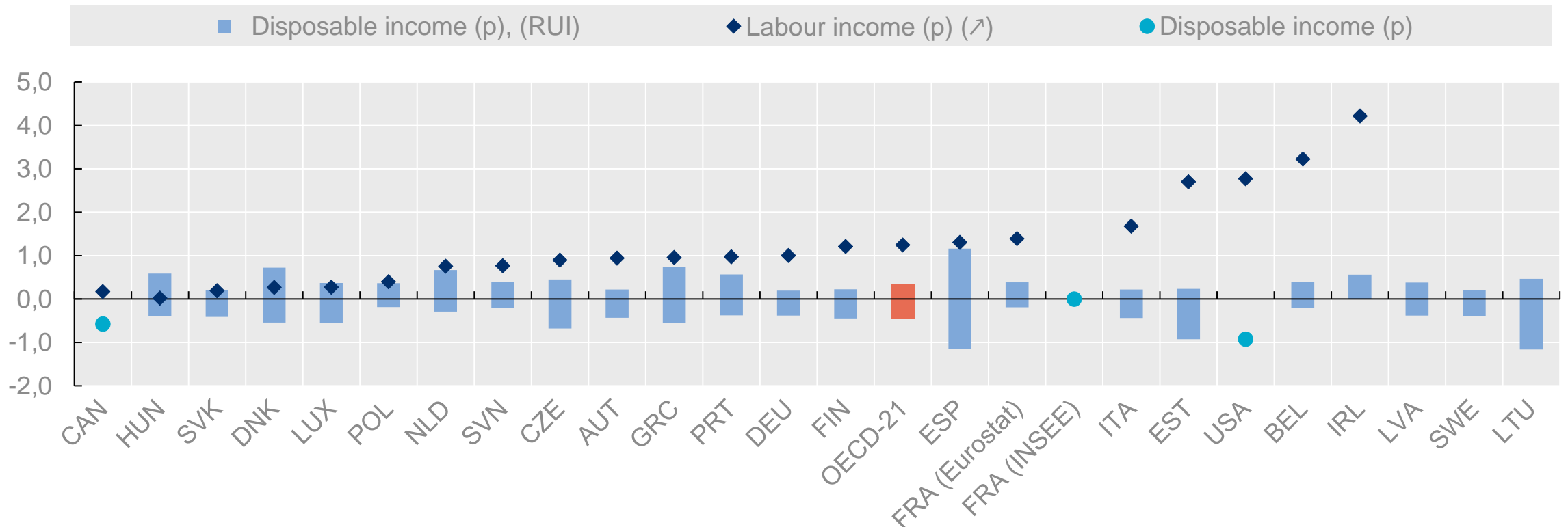
At-risk-of-poverty rate in 2021, early estimates
(compared with 2020; population aged 18-64)



Administrative boundaries: © EuroGeographics © UN-FAO © Turkstat
Cartography: Eurostat - IMAGE, 09/2022

Flash estimates for 2020 - Labour income inequality

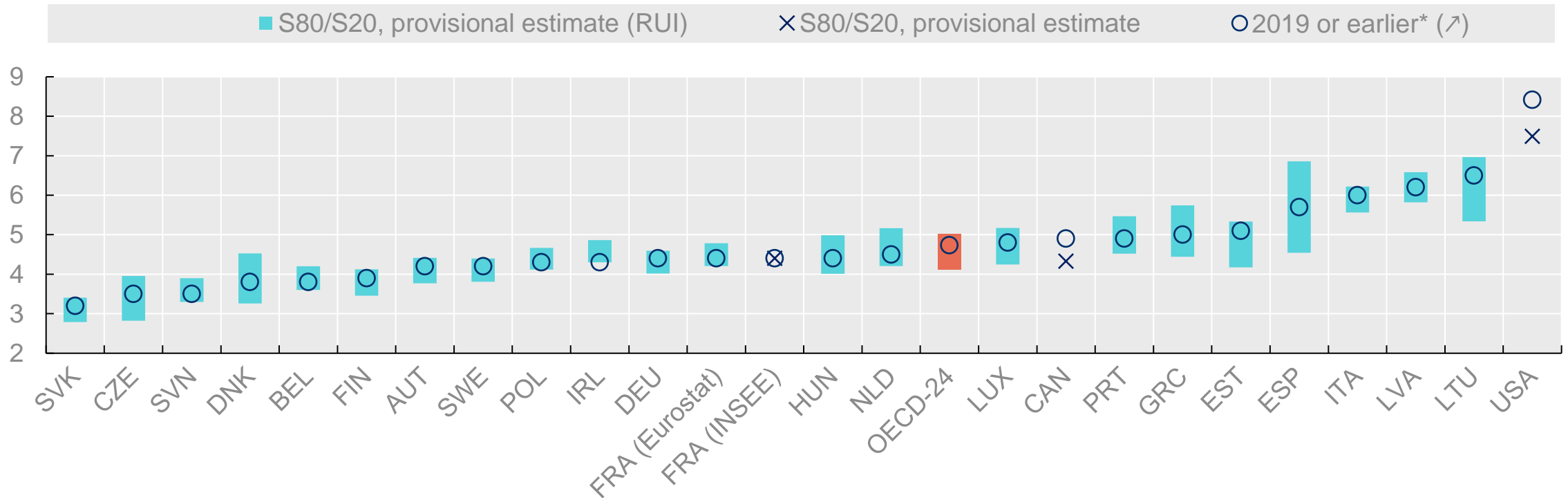
Absolute change in inequalities of labour and disposable income between 2019 (actual data) and 2020 (provisional data), measured by the income quintile share ratio (S80/S20)



Source: OECD calculations based on (Eurostat, 2021^[59]), *Income inequality and poverty indicators – Experimental statistics* (database), <https://ec.europa.eu/eurostat/web/experimental-statistics/income-inequality-and-poverty-indicators>; (Buresi and Cornuet, 2021^[12]), *Estimation avancée du taux de pauvreté monétaire et des indicateurs d'inégalités – Insee Analyses – 70* (base de données), <https://www.insee.fr/fr/statistiques/5762455>; (Statistics Canada, 2021^[56]), *Distributions of household economic accounts for income, consumption and saving of Canadian households, fourth quarter 2020* (tables), <https://www150.statcan.gc.ca/n1/daily-quotidien/210907/dq210907a-eng.htm>; (US Census Bureau, 2021^[57]), *Current Population Survey Annual Social and Economic Supplements* (database), <https://www.census.gov/data/datasets/time-series/demo/cps/cps-asec.2021.html>, and (OECD, 2021^[7]), *Income Distribution Database*, <https://oe.cd/idd>.

Flash estimates for 2020 - disposable income inequality

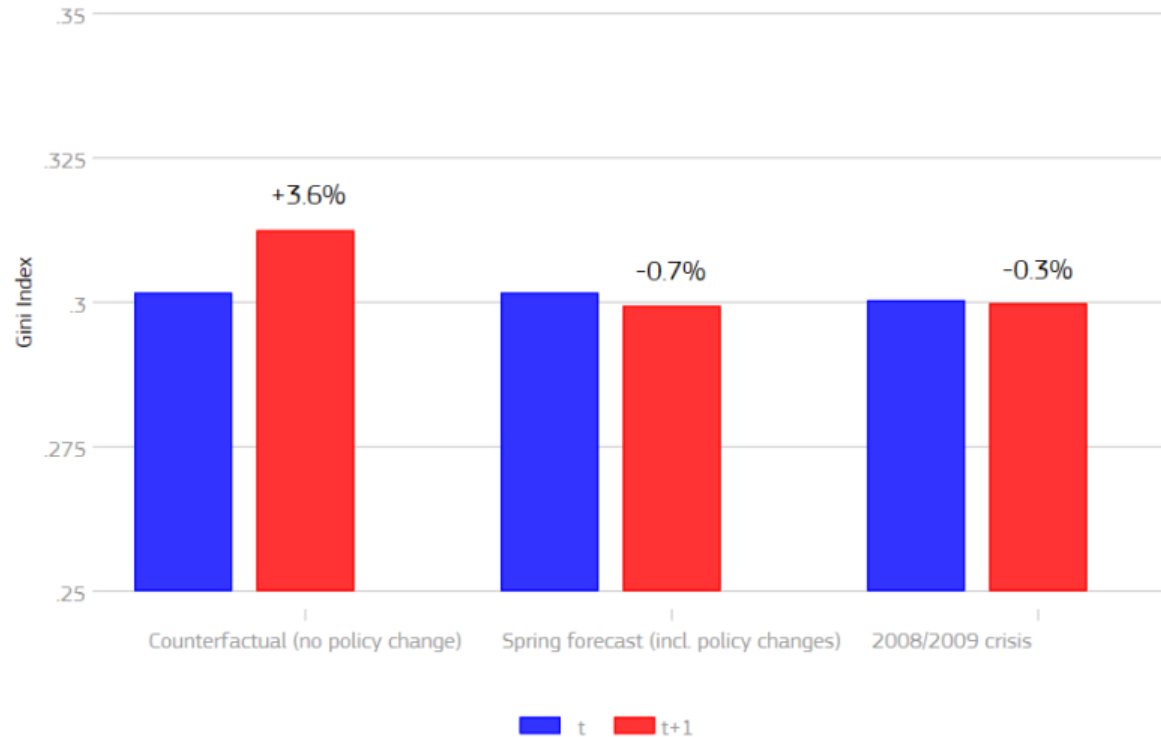
Inequality of household disposable income for 2019 (actual data) and 2020 (provisional data), measured by the quintile share ratio (S80/S20)



Source: OECD calculations based on (Eurostat, 2021^[59]), *Income inequality and poverty indicators – Experimental statistics* (database), <https://ec.europa.eu/eurostat/web/experimental-statistics/income-inequality-and-poverty-indicators>; (Buresi and Cornuet, 2021^[12]), *Estimation avancée du taux de pauvreté monétaire et des indicateurs d'inégalités – Insee Analyses – 70* (base de données), <https://www.insee.fr/fr/statistiques/5762455>; (Statistics Canada, 2021^[56]), *Distributions of household economic accounts for income, consumption and saving of Canadian households, fourth quarter 2020* (tables), <https://www150.statcan.gc.ca/n1/daily-quotidien/210907/dq210907a-eng.htm>; (US Census Bureau, 2021^[57]), *Current Population Survey Annual Social and Economic Supplements* (database), <https://www.census.gov/data/datasets/time-series/demo/cps/cps-asec.2021.html>, and (OECD, 2021^[7]), *Income Distribution Database*, <https://oe.cd/idd>.

Flash estimates for 2020 – very early estimates in 2020

Figure 5: Impact of COVID-19 on income inequality in the EU



Note: The impact of COVID-19 concerns the year 2020 (source: EUROMOD simulation). The starting level of the Gini index is the weighted (population) average for 2018 (Source: Eurostat, EU-SILC database). The impact of the 2008/2009 crisis compares households' net disposable income between these two years (Source: Eurostat, EU-SILC database). Year t corresponds to 2019 for the COVID crisis and to 2008 for the 2008/2009 crisis.

Commission Communication on DIAs

Guidance to encourage Member States to improve their DIA practices in terms of:

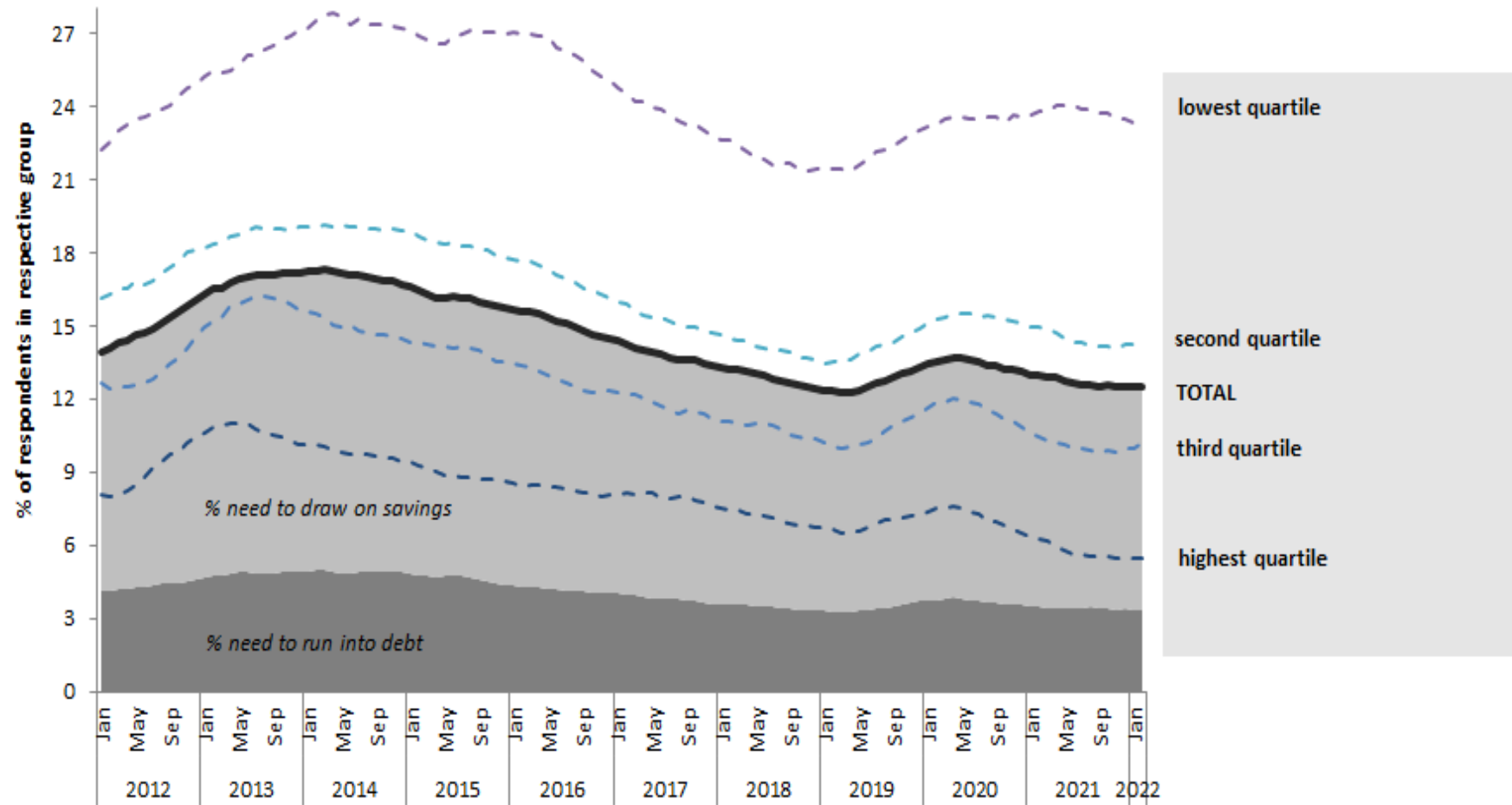
- Timing of the analysis (ex-ante and ex-post)
- Broad coverage of policy areas
- Robust microsimulation models linked with macro models
- Timely, detailed and comprehensive data
- Outputs covering impacts on income distribution, poverty and inequality
- Transparent ways of disseminating the results

Other information and further

- Financial distress
- New quarterly data collection through Eurostat (around 10 Member States)
- Further avenues (e.g. Eurobarometer, Eurofound)

Financial distress

Financial distress by income quartile



Ex-post look at 2020 - 2021

- Overall stability of key social indicators in SILC 2021 (income 2020) – reflects strong automatic stabilisation and impact of national and EU measures
- Also new questions coming with energy crisis (e.g. energy poverty, purchasing power)

Thank you for your attention!