



MetaSILC 1: An assessment of the content and cross-country comparability of the EU-SILC benefit variables

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- EU-SILC is now the standard reference source for statistics on income and living conditions in Europe
- Essential information source for analysing the distributive effects of the welfare state
- Growing interest in the distributive effects of particular benefits
 - Social Investment Package
 - Country-specific recommendations
 - Children / Adequacy & sustainability of pension systems

- Knowledge of content (aggregation) and comparability of income variables is key
- Description of target variables in Doc065 & Quality reports not sufficiently detailed for:
 - Identifying exact classification of all income components in all countries
 - Evaluating level of cross-country comparability ('correct' classification) depends also on question)



What is MetaSILC 1?

- Documentation (report) and database (excel)
- Contents of income variables – currently 13 variables, over 1000 income components



MetaSILC 1 - Database

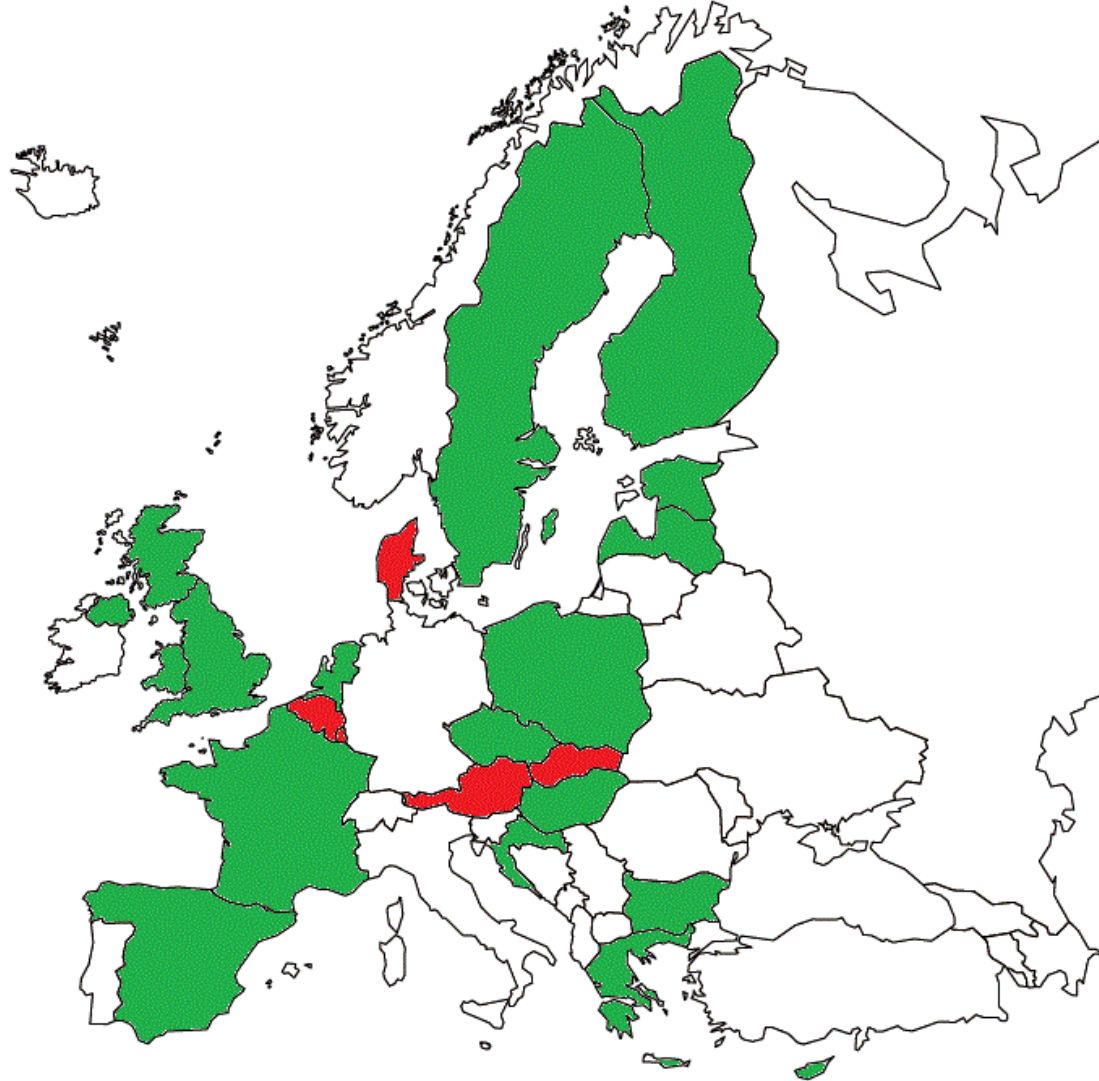
HY010: TOTAL HOUSEHOLD GROSS INCOME
HY020: TOTAL DISPOSABLE HOUSEHOLD INCOME
HY022: BEFORE SOCIAL TRANSFERS OTHER THAN OLD-AGE AND SURVIVOR'S BENEFITS
HY023: TOTAL DISPOSABLE HOUSEHOLD INCOME BEFORE SOCIAL TRANSFERS INCLUDING OLD-AGE AND SURVIVOR'S BENEFITS
HY050: FAMILY/CHILDREN RELATED ALLOWANCES
HY060: SOCIAL EXCLUSION NOT ELSEWHERE CLASSIFIED
HY070: HOUSING ALLOWANCES
PY090: UNEMPLOYMENT BENEFITS
PY100: OLD-AGE BENEFITS
PY110: SURVIVOR'S BENEFITS
PY120: SICKNESS BENEFITS
PY130: DISABILITY BENEFITS
PY140: EDUCATION-RELATED ALLOWANCES



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- Contents of income variables – currently 13 variables, over 1000 income components
- On the basis of survey among national statistical institutes
- Currently 20 countries (15 only benefits, 5 all income variables)

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- Documentation (report) and database (excel)
- Contents of income variables – currently 13 variables, over 1000 income components
- On the basis of survey among national statistical institutes
- Currently 20 countries (15 only benefits, 5 all income variables)
- Focus on EU-SILC 2010
- Herman Deleeck Centre for Social Policy (10 researchers), no external funder

- For every income component
 - Official name (national language) & code
 - Name in English
 - Target variable code and name
 - Source (register / questionnaire / imputation)
 - Level of aggregation during collection (separate question / part of broader question)
 - Changes 2005-2013
 - Remarks

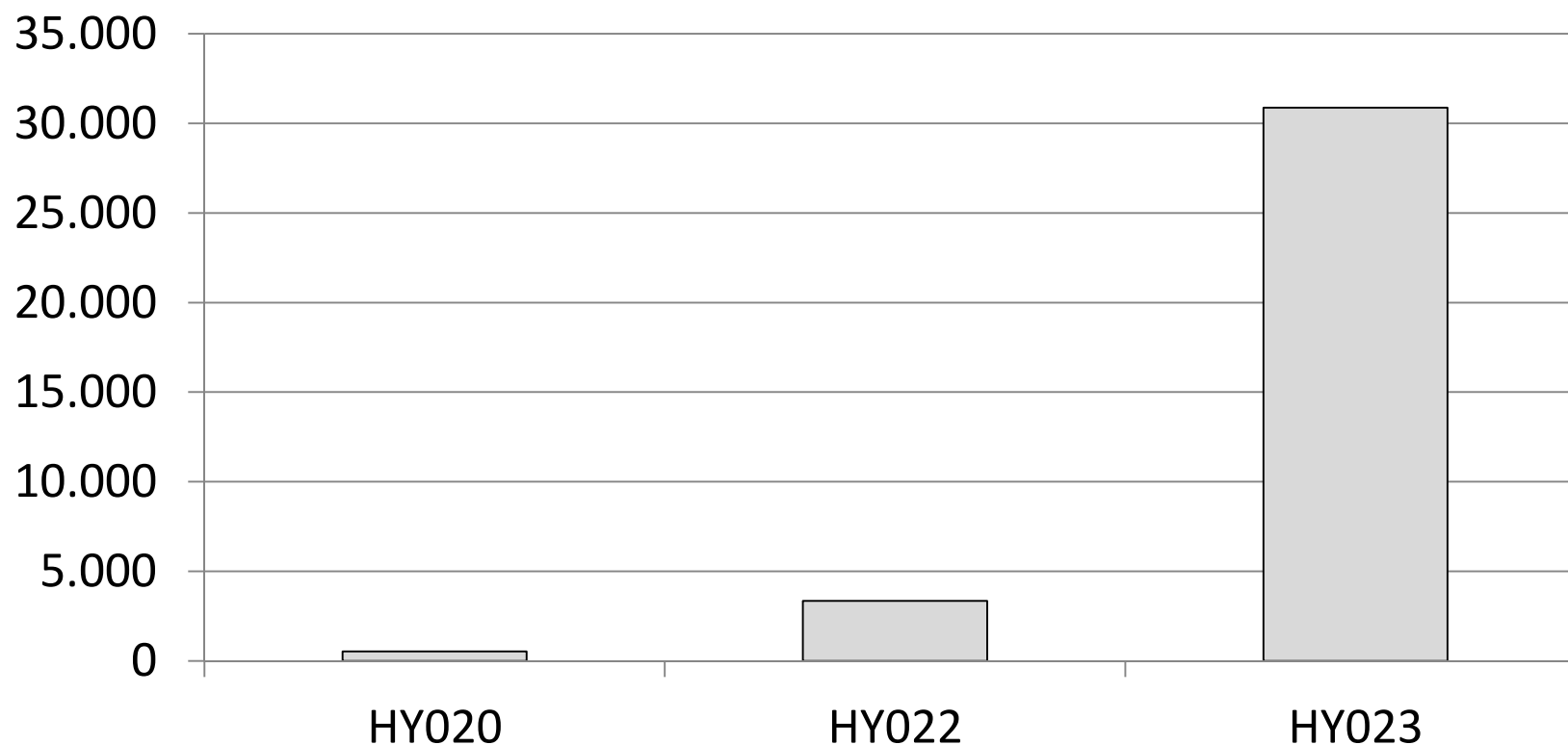
MetaSILC 1 - Database

Country	Component	Official name	Original variable name	Target variable code	Target variable name
AT	Family allowance	Familienbeihilfe	fambh	HY050	Family/Children related allowances
AT	Confinement	Wochengeld	wog	HY050	Family/Children related allowances
AT	Parental leave benefit	Karenz-/Kinderbetreuungsgeld	karenz	HY050	Family/Children related allowances
AT	Advance payments of alimonies	Staatliche Unterhaltsvorschüsse	untvor	HY050	Family/Children related allowances
AT	Other family related benefits of Länder or municipalities	Sonstige Familienleistungen von Ländern und Gemeinden	fam	HY050	Family/Children related allowances
AT	TV: HY050				Family/Children related allowances

- Room for improvement:
 - Definition of target variables
 - Classification of benefits
 - Difference in information between Quality Reports and Survey results on comparability

- Definition of target variables
 - Before transfers variables HY022 & HY023
 - Total gross income, minus transfers, minus taxes & social contributions
 - In quite a few countries some benefits are taxed
 - In these cases taxes are deducted twice
 - A few countries correct for this, but not all
 - Reduces value of variable as indicator of 'pre-transfer counterfactual'

Number of households with a negative income (non-weighted), EU-SILC 2010 UDB ver2



- Definition of target variables
 - Split HY050?
 - Compensation for cost of children (child benefits, birth grants, tax credits,...)
 - Compensation for loss of income - Work-life balance (maternity leave, parental leave, social leave, ...)
 - Public & private alimony together; rest of HY050 in separate variable

- Classification of benefits
 - Relatively many borderline cases, often not consistent
 - some housing cost related benefits (HY060 – HY070);
 - vocational training (PY090 - PY140);
 - maternity benefits (HY050 – PY120)
 - Exceptionally incorrect classification
 - Some income components not registered?
 - Tax credits (some countries yes, others no)
 - Education-related allowances for children under the age of 16? (some countries HY060, others not registered?)
 - Carers allowance if not paid to disabled person

MetaSILC 1 - Report

- Difference in information between Quality Reports and Survey results on comparability
 - We found more deviations from definition in Doc065
 - Not always documented in quality reports

Recommendation

- More disaggregated information in UDB (proposal EUROMOD team), consider revising some variables (e.g. in consultation with DG EMPL)
- A database with the classification of all income components, for every year and all countries + changes documented in quality reports
- International panel with social policy experts can help decide on borderline cases (cf. Canberra Group)



Next steps

- Validation by national statistical institutes
- Final Report in June
- Expansion to other countries and income variables (if resources available)