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- Full report

Delegations will find attached the above mentioned report by the Social Protection Committee from which the main messages, contained in doc. 5858/12, are drawn.



Social Protection Committee

Third Report on the Social Impact of the Economic Crisis and Ongoing Fiscal Consolidation

2011

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INTRODUCTION

Three years ago, the global financial and economic crisis triggered the most serious economic recession the European Union (EU) has ever faced. According to the European Commission Autumn Forecast¹, the outlook for the European economy has taken a turn for the worse and the risk of a recession is not negligible. Sharply deteriorating confidence and intensified financial turmoil is affecting investment and consumption, while urgent fiscal consolidation is weighing on domestic demand and weakening global economic conditions are holding back exports. Real Gross Domestic Product (GDP) growth in the EU is now expected to come to a standstill around the end of 2011, turning negative in some Member States. Growth is likely to be held back by more difficult financing conditions, ongoing deleveraging and sectoral adjustment and will be insufficient to deliver an overall reduction of unemployment in the short term.

Moreover, inflation is rising faster than GDP. High energy and food commodity prices have been the main driver of inflation in 2011. This is worrisome as their demand is highly inelastic, and thus likely to affect disproportionately low-income households.

Members States have been fairly successful in mitigating the impact of the crisis on households and individuals. A wide range of policy solutions have been put into place by adopting targeted measures and maintaining social provisions. However, the prolonged period of economic downturn and the risks associated with a new recession stress the utmost importance of maintaining the resilience of social protection systems as they continue to provide protection and services not only to the most vulnerable but to the whole population.

In its recent opinion to the 2011 December Employment, Social Policy, Health and Consumer Affairs (EPSCO) Council², the Social Protection Committee (SPC) stressed the need to monitor the social consequences of the crisis and to find new ways of strengthening confidence in the social dimension of the Europe 2020 strategy for smart, sustainable and inclusive growth³. This task becomes all the more important as the EU consumer confidence indicator and recent Eurobarometer surveys show that EU citizens are much more worried about future income prospects in 2011 compared to 2008. The December 2011 Flash Eurobarometer on the social impact of the crisis shows that 80% of respondents think that poverty has increased in their own country over the past 12 months and 67% say it has increased in the EU as a whole. These figures have gone up substantially since the previous flash survey carried out in October 2010. In December 2011 47% of EU citizens expect stagnation and 36% deterioration in the degree of financial difficulty they experience, compared with just 26% in October 2010. Difficulties in access to services are highlighted as an increasing problem with 32% of EU citizens saying it has become more difficult to afford general healthcare, 38% - childcare, and 40% - long-term.

¹ http://ec.europa.eu/economy_finance/eu/forecasts/2011_autumn_forecast_en.htm

² EPSCO Council Conclusions, 17921/11, 1 December 2011.

³ http://ec.europa.eu/europe2020/index_en.htm

The crisis continues to affect all Member States in different ways. Policy developments and measures reported in this paper cannot be entirely attributed to the crisis, which has now a long-term horizon. As it is often times the case, disentangling structural developments from ad-hoc crisis driven measures is challenging. Yet, it is important to highlight that in the near future social protection systems will continue to function in a context marked by the consequences of the economic recession.

The present report is the third update of the analysis of the social impact of the crisis that the SPC has undertaken, as part of its Treaty mandate⁴ to closely monitor the social situation in Member States⁵. It looks into the major trends in the social situation in Europe and the concrete policy measures Member States have put in place in the past year to tackle the difficult economic situation and its social implications. The report is based to a large extent on information provided by Member States through an ad-hoc survey questionnaire among SPC members prepared for the purpose of this report.

This report brings up new issues. For the first time, it looks at the issue of inequality which until now has not been an area of policy work for the SPC. As evidenced in the recent conference on "Inequalities in Europe and the Future of the Welfare State⁶" organized by the European Commission, inequalities, of income or of outcome and access, are a result of long-term socio-economic developments. They are not a direct result of the crisis as such, but they do, however, in parallel with all the other crisis-induced consequences, exacerbate the distributional impact of the ongoing austerity measures.

In a spirit of transparency, this third report has been subject to consultations with the social partners (Business Europe, CEEP, ETUC, UEAPME) and the Social Platform. Their views are annexed to the report and do not necessarily represent the views and positions of the Social Protection Committee

1. The Social Impact of the Crisis

1.1 Trends in poverty and social exclusion: increase in the number of people at risk of poverty or social exclusion in 2010

The commitment of the EU Heads of States and Government to lift at least 20 million people out of at risk of poverty or social exclusion in the context of the Europe 2020 strategy was a significant step forward. It stressed the importance of inclusive growth for the future of Europe and it has introduced a new monitoring and accountability scheme to the progress

⁴ Art. 160, TFEU.

⁵ As of the 2012, the follow up of the social consequences of the crisis will be part of the SPC annual review of the social protection and inclusion developments.

⁶ <http://www.destree.be/inequalities/PROGRAMME.html>

achieved in combating poverty and social exclusion in the EU. (For the national 2020 poverty and social exclusion targets, refer to Annex 5.)

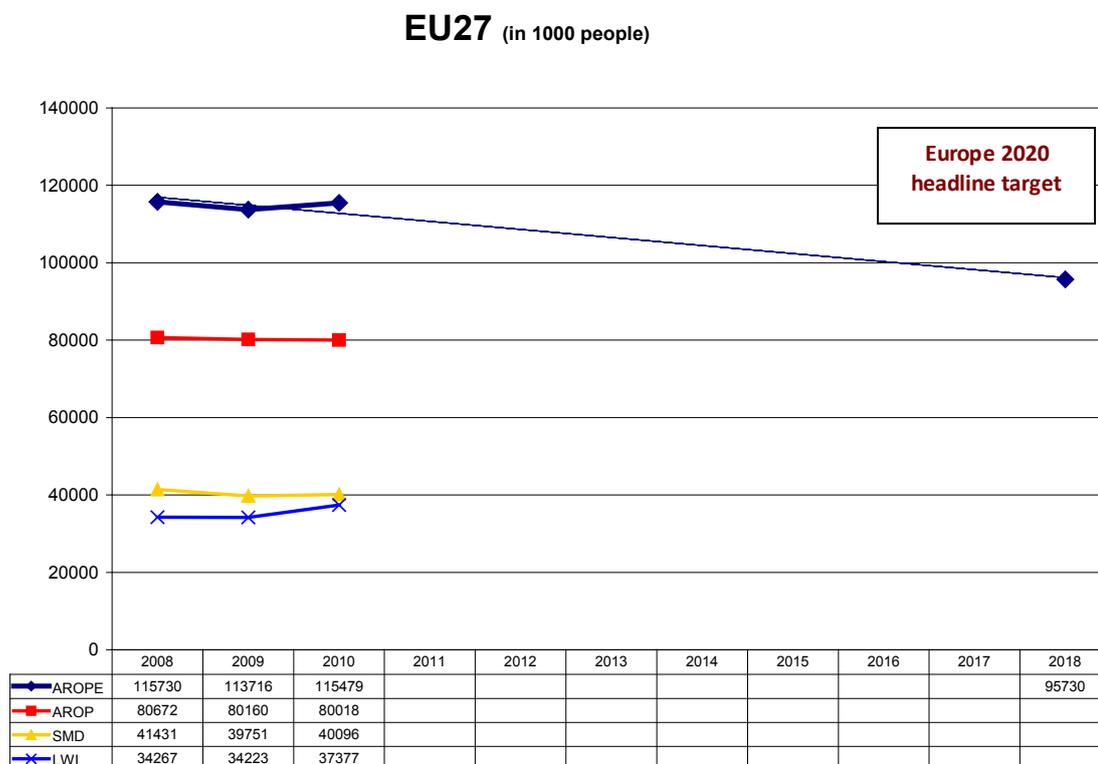
The definition of the EU headline poverty and social exclusion target⁷ is based on a combination of three indicators – at-risk-of-poverty rate, severe material deprivation rate, and share of people living in very low work intensity households. It looks at people who find themselves in any of these three categories and while very broad by definition, it reflects the multiple facets of poverty and exclusion across Europe. The latter definition extends the original concept of relative income poverty to cover the non-monetary dimension of poverty and labour market exclusion.

As the extent and duration of the economic crisis is developing beyond initial forecasts, it has a significant impact on the levels of poverty and social exclusion. It is important to underline that the main data source on poverty and social exclusion, the EU Survey on Income and Living Conditions (EU-SILC), has a significant time lag. 2010 (t) data refers to income and employment for 2009 (t-1) while only the information on living conditions and material deprivation specifically, refers to 2010 (t). Thus, the most recent data available currently presents only the initial impact of the crisis on households.

Most recent Eurostat figures available for the EU 27 population living in poverty or social exclusion, as defined by the Europe 2020 poverty and social exclusion target, show that 115.5 million people living in the EU (23.4% of the EU population) were at risk of poverty or social exclusion in 2010, an increase of nearly 2 million from 2009 (Figure 1).

⁷ For the exact definition of the Europe 2020 headline poverty and social exclusion target and its component indicators, please refer to Annex 1.

Figure 1. Evolution of the population at-risk-of-poverty or social exclusion (Europe 2020 headline target), 2008-2010 (in 1000 people)



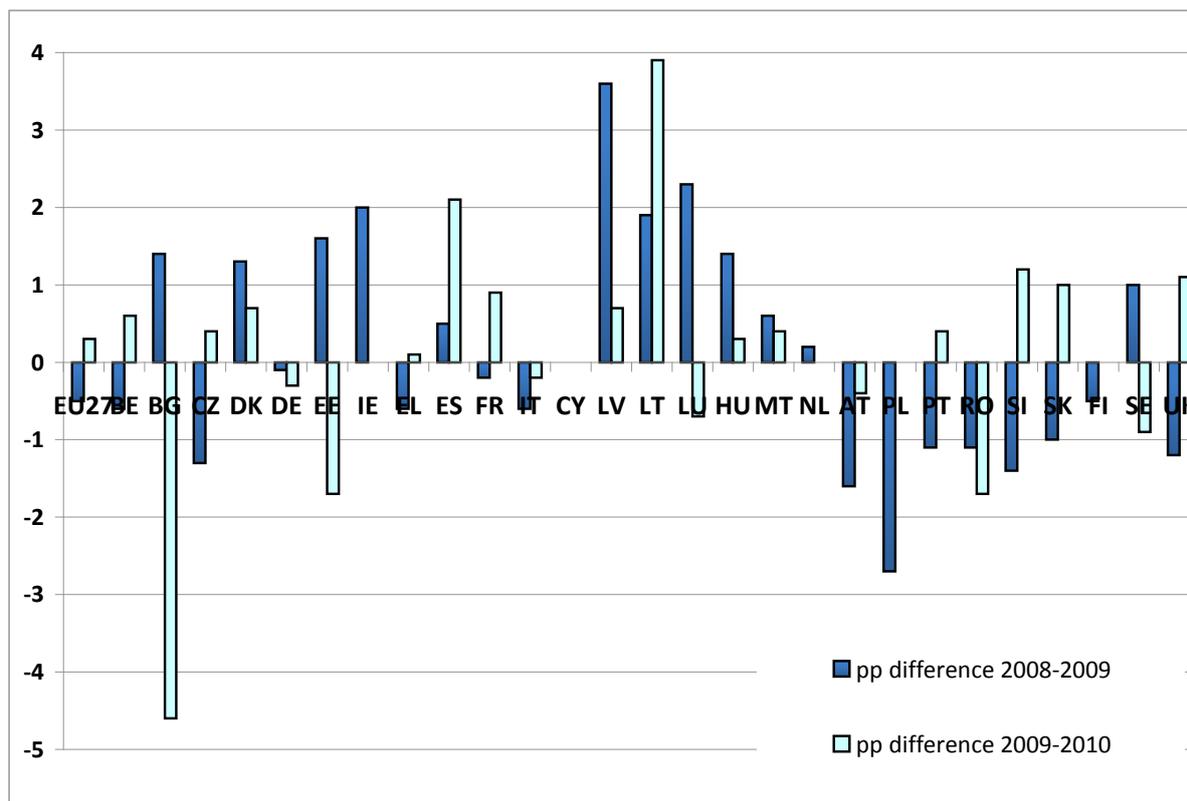
*Source: Eurostat, EU SILC
Date of extraction: 23.01.2012*

The base year for evaluating the progress towards the Europe 2020 poverty and social exclusion target is 2008 with a 10 year horizon. While a decrease in the period between 2008 and 2009 was registered for EU27 (income reference year 2007 and 2008, respectively), the most recent figures for 2010 show a reverse increasing trend which can make the 20 million reduction of people living at risk of poverty or social exclusion quite challenging (Figure 1).

The incidence of poverty and social exclusion resulting from the crisis vary widely across the EU – from BG and RO where more than 40% of the population is at risk of poverty or social exclusion in 2010 to CZ, NL and SE where the rate is around 15% (Table 2 in Annex 4). Across Member States the share has remained stable⁸ between 2009 and 2010 with the exception of BG, EE and RO where rates have decreased significantly by 4.6percentage points (pp), 1.7pp and 1.7pp, respectively, and LT, ES, SI and UK where increases have been registered (3.9pp, 2.1pp, 1.7pp, and 1.1pp respectively) (Figure 2). However, it should be noted that countries with significant decreases such as BG and RO are also the ones who register some of the highest poverty and social exclusion rates.

⁸ Due to the structure of the EU SILC survey, changes below 1 percentage point are considered insignificant.

Figure 2. Evolution of the population living in poverty or social exclusion (in %), 2008-2010



Source: Eurostat, EU SILC

Note: IE – no data available for 2010; CY – 0 pp change for 2008-2009, no data available for 2010; NL – 0 pp change for 2009-2010; PL – 0 pp change for 2009-2010; FI – 0 pp change for 2009-2010

However, as highlighted below, the message of little change in many Member States over the last year which can be put forward when looking at the overall at risk of poverty or social exclusion indicator is easily challenged when examining its components and other key poverty and social exclusion indicators, revealing much more significant changes in the situation related to income, living conditions and labour market exclusion of people across Europe.

According to the EU Network of Independent Experts on Social Inclusion, which has analysed the most recent national data, giving a more timely picture of the situation in Member States than what the EU SILC survey data offers, during 2011 the impact of the financial and economic crisis and the implementation of austerity measures has led to increase in poverty and social exclusion in more than half of Member States while the share has remained stable in 1/3 and has decreased in only 2 countries. (Frazer and Marlier, 2011)

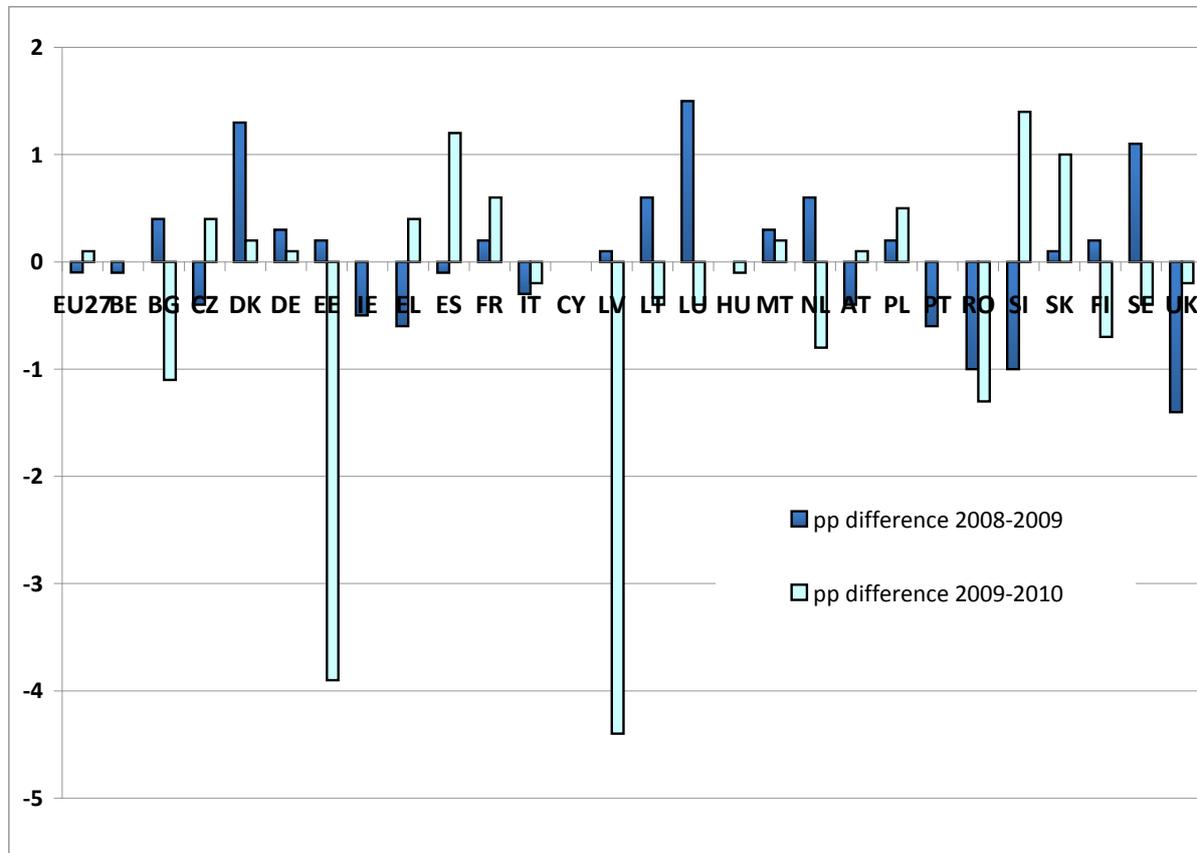
At-risk-of-poverty rates remain stable but household median income is decreasing

The at-risk-of poverty indicator (AROP) shows little change between the 2009 and 2010 survey waves. Of the 25 Member States⁹, for which data are available, only 2 (ES, SI) show a significant increase in AROP. Conversely, 4 Member States (BG, EE, LV, RO) show a decrease,

⁹ According to the regulation on SILC, results for all EU27 Member States should be available on 31.12.2011

while AROP remains stable in 19 Member States. Highest rates are observed in LV (21.3%) and RO (21.1%) while the lowest are in CZ (9%) and NL (10.3%). Detailed results by country are available in Figure 3 and Table 4 (Annex 4).

Figure 3. Evolution of at-risk-of-poverty rate (in %), 2008-2010



Source: Eurostat, EU SILC

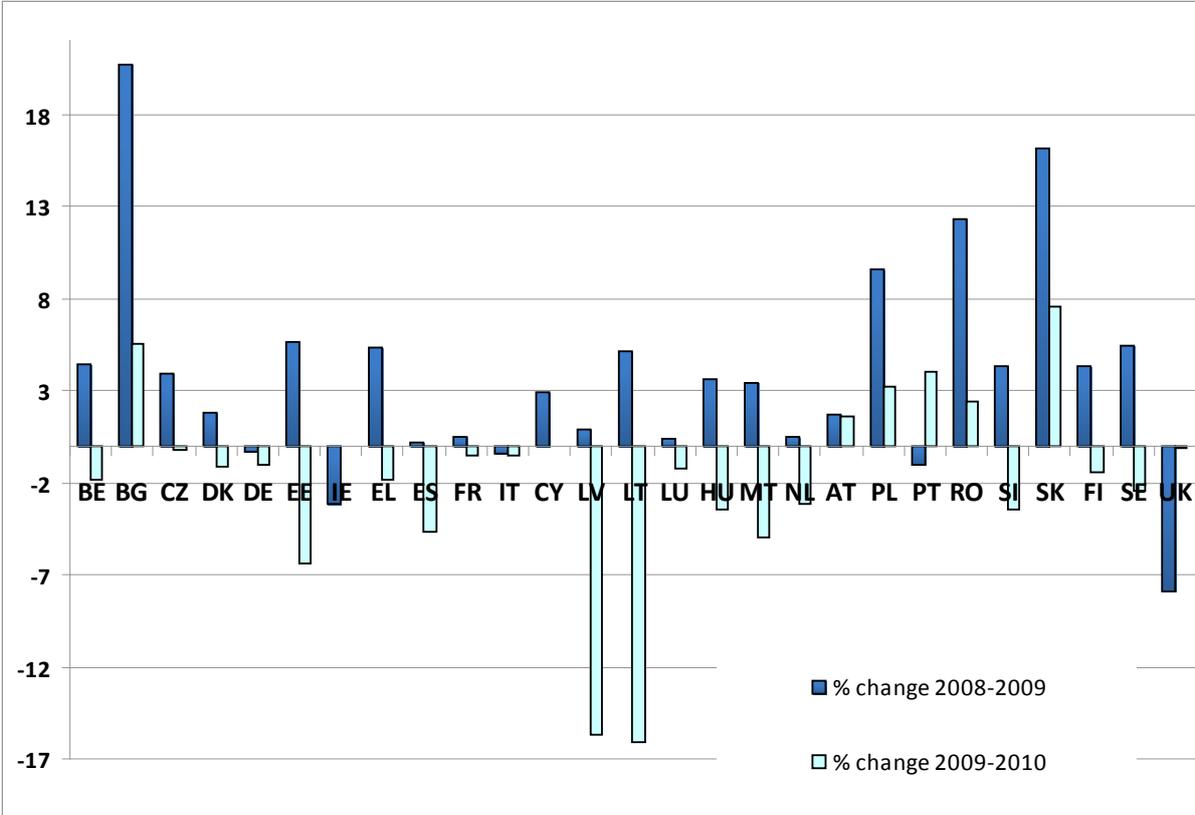
Note: BE - 0 pp change for 2009-2010; IE - no data available for 2010; CY - 0 pp change for 2008-2009, no data available for 2010; HU - 0 pp change for 2008-2009; PT - 0 pp change for 2009-2010

This indicator is a relative income poverty measure and therefore, its use depends on the income poverty threshold, influenced by the general level of income and its distribution in the population. It needs to be interpreted in relation to the evolution of the poverty thresholds which vary greatly across Member States – from 2115 pps¹⁰ in RO in 2010 to 16 022 pps in LU. (Table 6 in Annex 4) In fact, the lowest thresholds (RO, BG, LT, LV) are three to four times lower than the highest ones (LU, AT, NL) highlighting the very different income and living conditions in Member States and contextualising the analysis of the evolution of the at-risk-of-poverty rate. In fact, in EE, for example, the decrease in the at-risk-of-poverty rate was due to increased pensions and state benefits, but also due to a decrease in income, which led to a declining poverty threshold. During the economic crisis, incomes have become more even, which is also reflected by a lower at-risk-of-poverty rate.

¹⁰ Purchasing power standard (pps) is a weighted average of the purchasing power of the national currencies of EU Member States. As such it reflects the average price level in the EU 27 or, more precisely, the weighted average of the price levels of Member States.

As the economic crisis hits the working population first, this has two immediate effects: rising unemployment and lowering of wages. As a result, the median income can edge down, and in cases where social benefits remain stable, this shifts the relative position of beneficiaries. Between 2009 and 2010, the median income has fallen in all but 6 Member States (Figure 4 and Table 7) - BG, AT, PL, PT, RO and SK. In the countries where the median income declines, this has also lowered the poverty threshold. Amongst the EU-27 the highest decrease of median equivalised net incomes in purchasing power standard (pps) in 2010 was observed in LT and LV. People who had an income slightly below the poverty risk threshold in 2009 may then find themselves above it in 2010 even if their income did not increase – simply because the median income and thus also the poverty risk threshold dropped. It is important to underline that this 2010 SILC data is based on 2009 income levels and these results, in fact, show only the first effects of the crisis on the income levels in the population.

Figure 4. Evolution of the median equivalised income (in pps), 2008-2010



Source: Eurostat, EU SILC
 Note: IE and CY – no data available for 2010

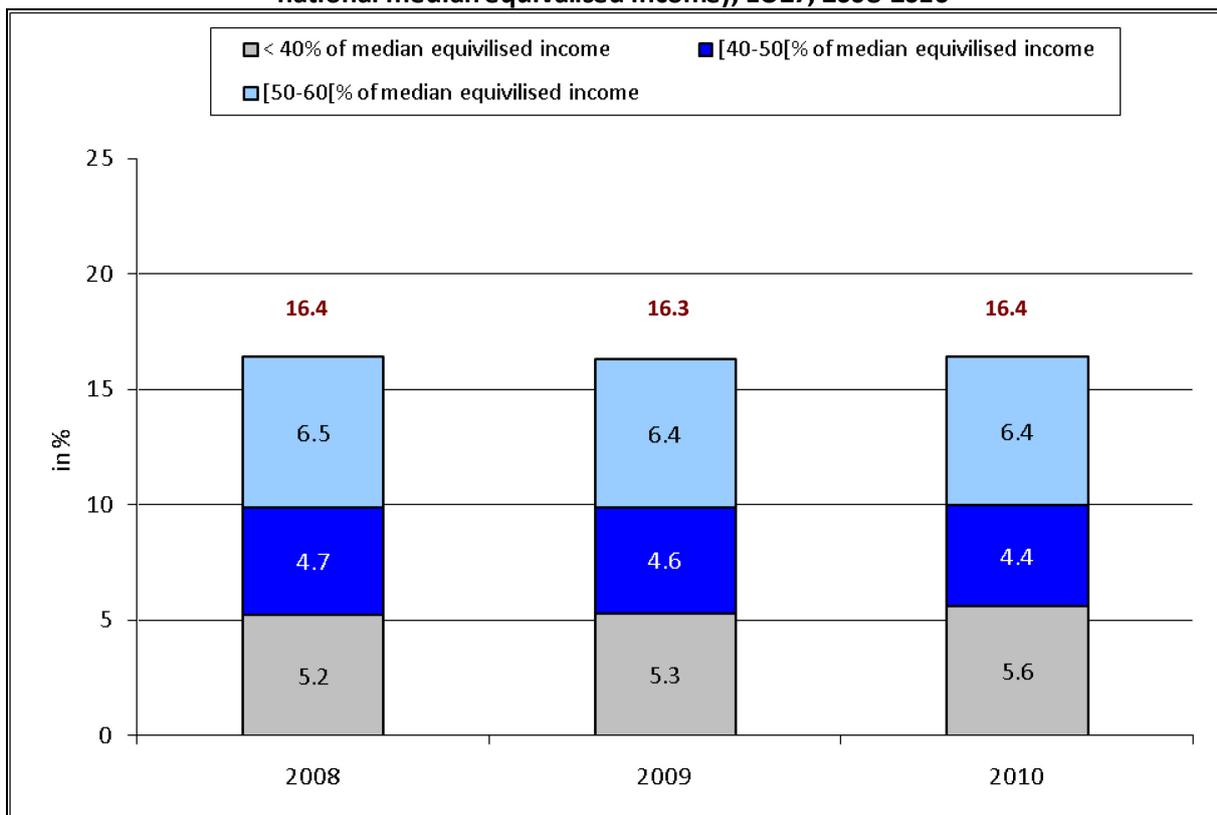
In most Member States females have slightly higher at-risk-of-poverty rates than males (on average around 2-3 pp, see Table 4 in Annex 4). These differences have remained stable in most countries with the exception of the Baltic States where female at-risk-of poverty has decreased substantially between 2009 and 2010 by 5.4 pp in EE, 6pp in LV and 2.1pp in LT while the at-risk-of-poverty rate for males has remained rather stable. The difference between female and male at-risk-of-poverty rates is much higher for the elderly (65 years and over) – above 10 pp in BG, EE, LT, SI, FI, RO and SE (Table 5 in Annex 4). During the crisis these differences have in some cases remained unchanged (ex. BG, RO, SE) while in others significantly altered (ex. in EE the difference between elderly female and male AROP has

decreased from 22.4pp in 2009 to 10.6pp in 2010, in LT – from 18.1pp in 2009 to 3.1pp, in FI – from 15.3pp in 2009 to 10.5pp; in SI elderly female at-risk-of-poverty rate has increased in 2010 by 3.5pp and in SE it has remained rather stable between 2009 and 2010 after an increase from 10.9pp in 2008 to 13.2pp in 2009). Only in MT, males above 65 years face higher risk of poverty than females.

Depth of poverty varies substantially across Member States

Looking at the poverty rate set with other thresholds (40%, 50% of median income) can allow capturing more accurately the shape of the distribution around the 60% threshold. There is high sensitivity of the poverty rate to the value of the threshold as there can be an accumulation of individuals around the middle earnings profile, resulting in great variations in poverty rates (Employment and Social Developments in Europe, 2011). Looking at the overall results for EU 27 (Figure 5), we can see that the share of people living below the 40% threshold, i.e. with less than 40% of the median income, has been slightly increasing since 2008. This suggests that within the population living below the standard poverty threshold, more people have dropped to the bottom of the income distribution since the beginning of the crisis.

Figure 5. Poverty depth - At-risk-of-poverty rate at different thresholds (40%, 50%, 60%, of the national median equivalised income), EU27, 2008-2010



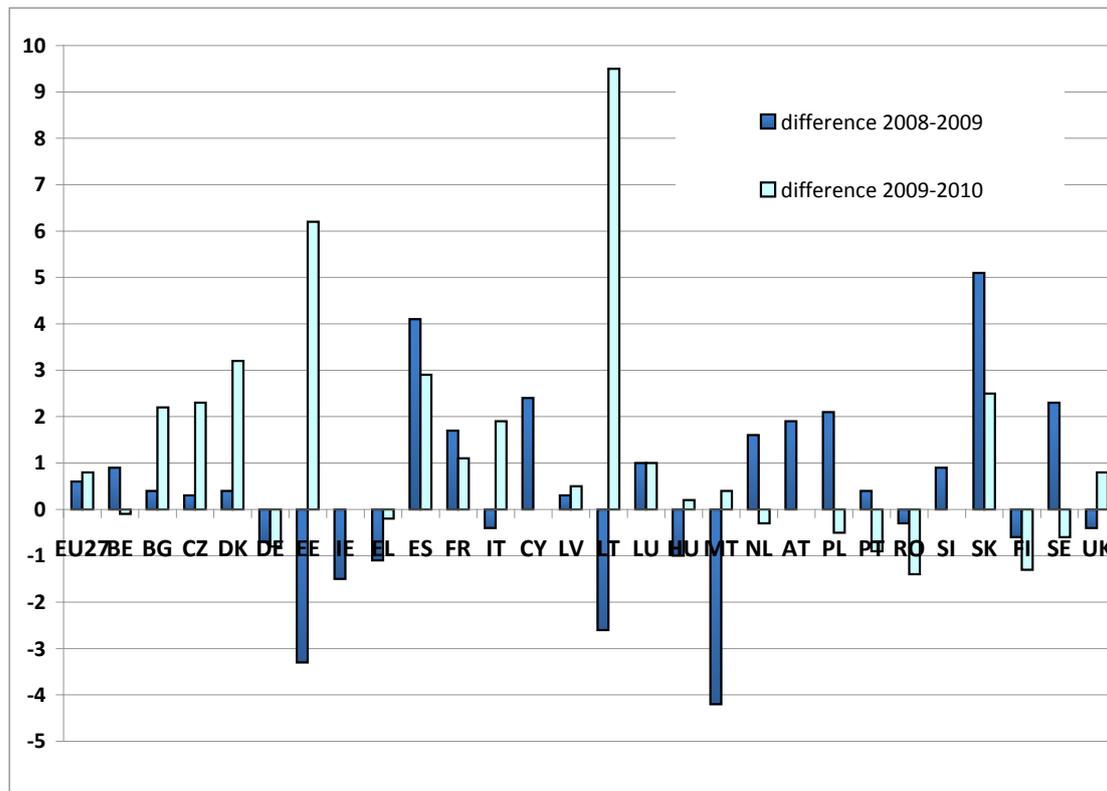
Source: Eurostat, EU SILC

Looking at other indicators, such as the poverty gap¹¹, further substantiates this finding and adds a valuable dimension, indicating "how poor the poor are" or the depth of poverty

¹¹ For the exact definition of the relative median at-risk-of-poverty gap, please refer to Annex 1.

across Europe (Marlier et. al, 2007). The median poverty gap is 23% for EU27, i.e. half of those living at risk of poverty were at least 23% below the relevant at-risk-of poverty threshold. Differences across Member States are significant. This share is very high in LT (32.6%), ES (30.6%) and RO (30.6%) while it is much lower in FI (13.8%), NL (16.2%), HU (16.5%) and MT (16.6%).

Figure 6. Poverty depth - Relative median poverty gap (in %), evolution in pp difference, 2008-2010



Source: Eurostat, EU SILC

Note: IE and CY – no data available for 2010; AT and SI - 0 pp change for 2009- 2010

The depth of poverty has worsened in most countries during the crisis (Figure 6), in some countries significantly when comparing 2009 and 2010 data – LT, EE, DK, ES, SK , BG.

When looking at the at-risk-of-poverty rate anchored at a fixed point in time (Table 8 in Annex 4), an indicator which uses the fixed 2005 poverty threshold for estimating the at risk of poverty rate and thus, offers information on the improved standards of living resulting from economic growth, we can see that while in almost all countries the rate has been decreasing since 2006, in 2010 it has registered an increase in 17 countries out of 22 with available data – a first sign in support of the depth of the crisis impact.

Very different impact of the crisis on individual disposable income across the income distribution

In most European countries, automatic stabilisers and the stimulus packages adopted at the beginning of the crisis have contributed to sustaining households' disposable income overall even in countries where national GDP fell sharply (Jenkins et al, 2011; Employment and Social Developments in Europe, 2011). As pointed out by the 2011 Employment and Social Developments in Europe report, between 2007 and 2009, increases in *gross* disposable

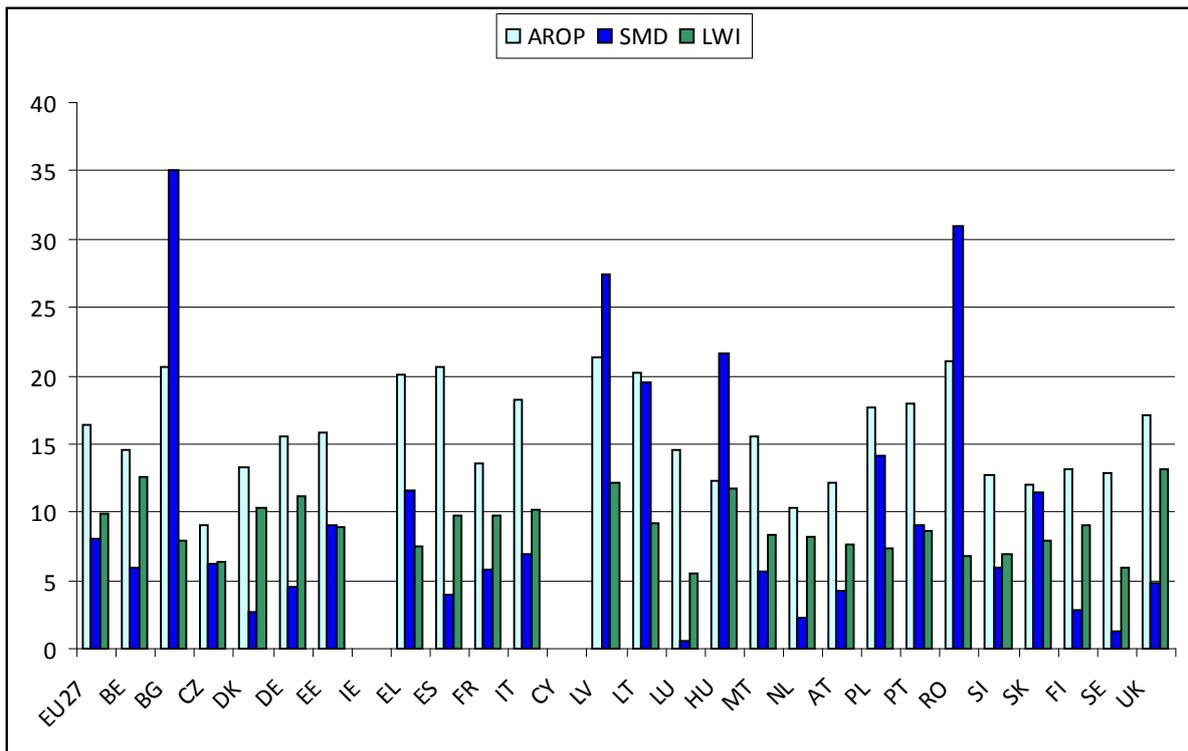
household incomes ranging from 1 to 9 % were recorded in two-thirds of EU countries, including countries that experienced strong economic and employment shocks. However, the situation of *individual* disposable income across different income groups is much different (Table 9 in Annex 4). 2010 EU-SILC data shows that disposable income of households has fallen significantly, by more than 15 % in the middle of the distribution in LT and LV, by 8 % in EE, and by 2-4 % in IE, the UK and ES. In most countries, social transfers have afforded more income protection to people at the lower end of the income distribution as compared with the rest of the population. However, in some Member States (ES, FR, MT, SI) people on low income have been relatively more affected than the rest of the population. In these countries, while the richest 10% of the population maintained or increased their income between 2008 and 2009, the poorest 10% saw their income drop. In the Baltic countries, where unemployment exploded and safety nets are weak, the fall in median household income is consistent with the overall fall in total gross household disposable income as registered in the National Accounts. In the UK and IE, the fall in median income observed in 2008-2009 (based on the EU SILC survey), shows that the stabilisation of incomes observed over the 2007-2009 period may only have occurred at the very beginning of the crisis (i.e. in 2008).

A recent report by Jenkins et al. (2011) points out that countries, in fact, were able to cushion households from the immediate effects of the crisis by means of benefits and other social safety nets. However, the study predicts that as governments cut public spending and raise taxes to confront structural deficits, household income will be hit for up to five or 10 years or even longer, depending on when economic growth returns. As long term unemployment shares rise and unemployment benefits run out, there is now a risk of seeing a significant decline in disposable income especially for low earners. As their propensity to consume tends to be high, this may have a long-term impact on domestic demand.

Severe material deprivation (SMD) remains a problem

Figure 7 shows a great discrepancy between the levels of monetary poverty (AROP) and living conditions across Member States. Living conditions have worsened between 2009 and 2010 across the EU as some 345 000 people more are living in severe material deprivation in 2010 in comparison to 2009 (Table 1 in Annex 4).

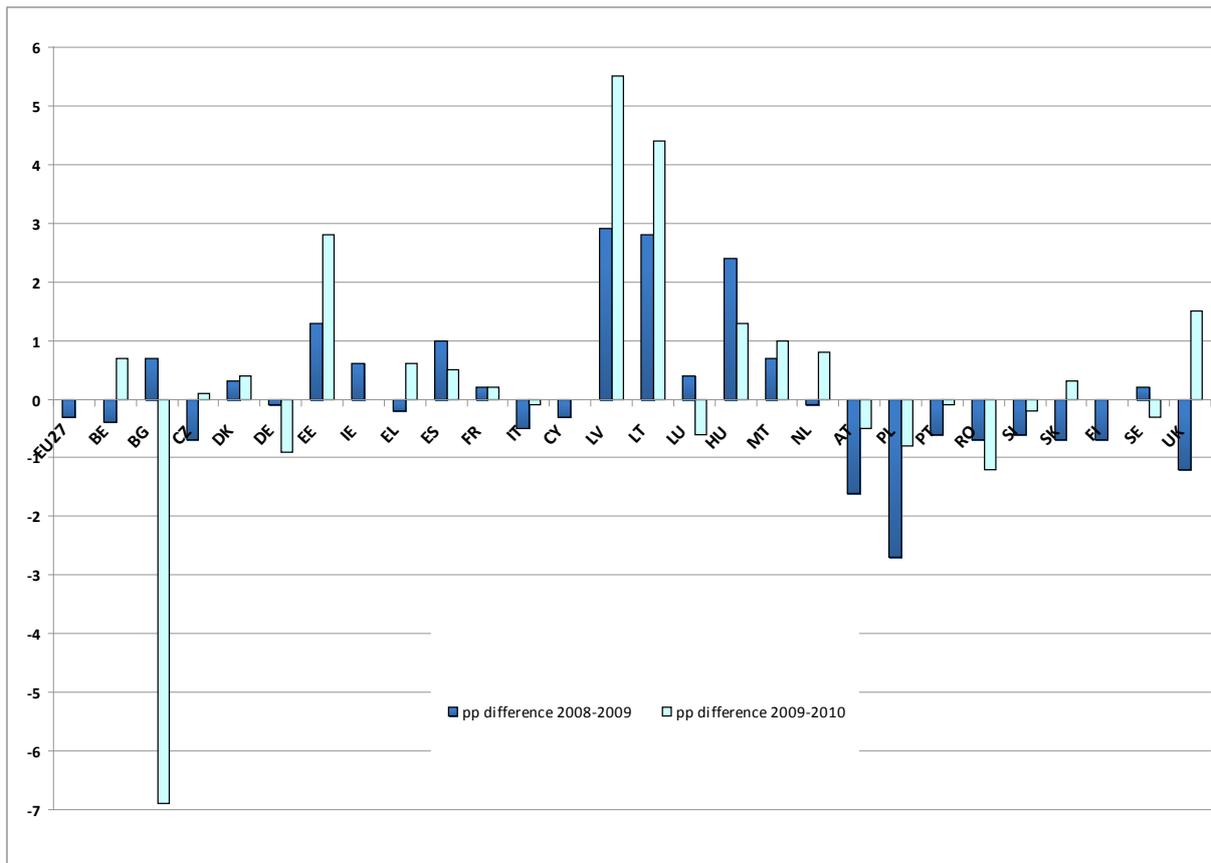
Figure 7. SMD, AROP and LWI (in %), 2010



Source: Eurostat, EU SILC
 Note: IE and CY – no data available for 2010

The share of people who have seen their living standards deteriorate, as measured by the level of severe material deprivation, increased in 2010 by as much as 5.5 pp in LV, 4.4 pp in LT and 2.8 pp in EE and remains stable in 18 Member States (AT, BE, CZ, DK, EL, FI, DE, ES, FR, IT, LU, NL, MT, PL, PT, SI, SK, and SE) (Figure 8). BG and RO registered a decrease of SMD in 2010 compared to 2009 but are the two EU countries with the highest severe material deprivation rates as shown in Figure 7.

Figure 8. Evolution of the severe material deprivation rate (in %), 2008-2010



Source: Eurostat, EU SILC

Note: EU27 and FI – 0 pp change for 2009-2010; IE and CY – no data available for 2010

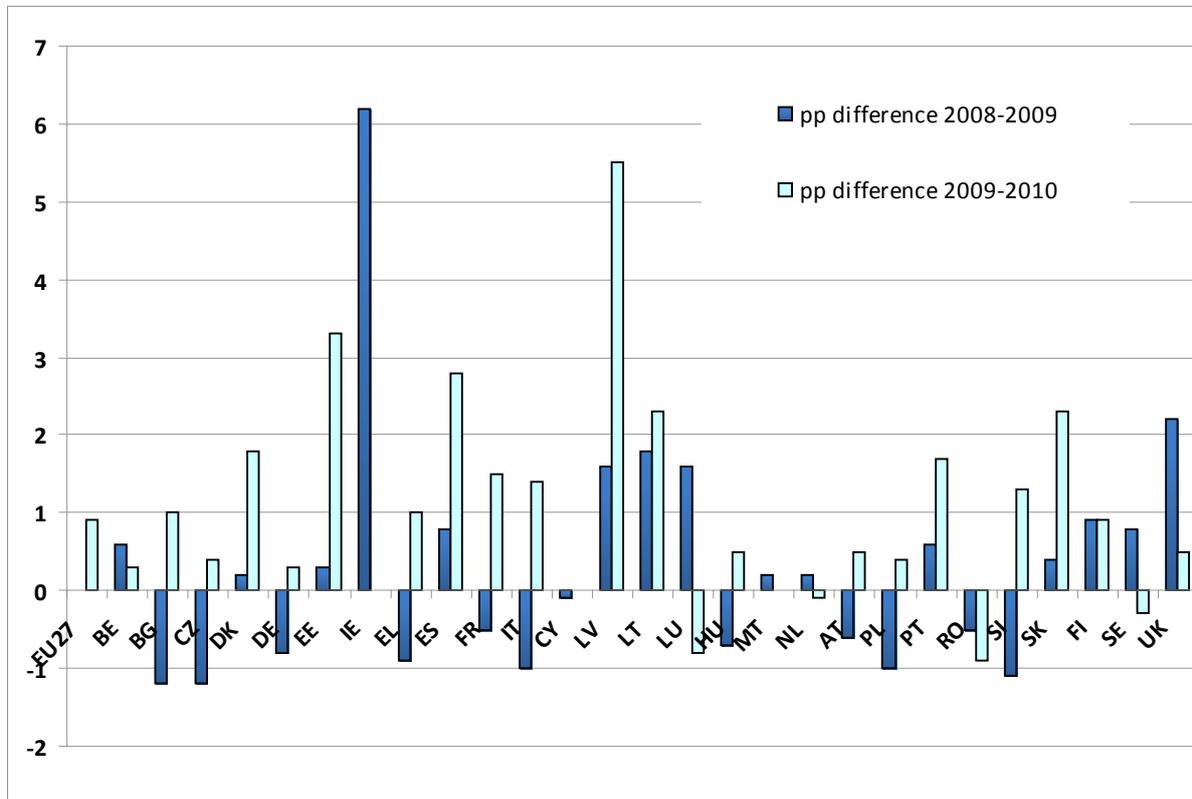
In contrast to the substantial gender differences observed in monetary poverty, there are no significant differences in the living conditions between males and females across EU Member States for the total population. This is less the case for the elderly (above 65 years) where in some countries older women report higher rates (on average above 5 pp) of material deprivation than men (BG, EE, EL, LV, LT, HU, PL, RO). In some Member States this gender difference in living standards has deteriorated during the crisis. In BG in 2009 and 2010 there was an increase of around 4pp from 2008 (from 2.5 pp difference between females and males in 2008 to 6.9 and 6.6pp in 2009 and 2010, respectively), in EE – from 2.8 pp difference in 2008 to 4.3 pp in 2010, in HU – from 4.1pp difference in 2008 to 6.3pp in 2010. A few countries see positive developments between 2008 and 2010 (EL, LT, FI).

Sharp increase in households with very low work intensity

A particularly worrisome fact is the sharp increase by more than 3 million of the population living in households with very low work intensity, signalling the danger of their long-term exclusion from the labour market and society (See Table 1). This share has risen significantly between 2009 and 2010 (above 1 pp) in a number of Member States (SI, IT, FR, PT, DK, LT, SK, ES, EE, LV), in the context of deteriorating conditions on the labour market (Table 12 in Annex 4). Against the background of rising unemployment, the increase in the share of people living in LWI households is highest in LV (5.5 pp), followed by EE (3.3 pp), ES (2.8 pp), LT (2.3 pp) and SK (2.3 pp) as evident in Figure 9. This is accompanied in many cases by an

increase in the long-term unemployment rate as is the case in ES, SK, LT, LV, IT, EE, DK. Differences between the rates of women and men living in very low work intensity households are not significant, for most countries ranging between 1 and 3 pp, and have remained rather stable during the crisis (Table 13 in Annex 4).

Figure 9. Evolution of the share of population living in households with low work intensity (in %), 2008-2010



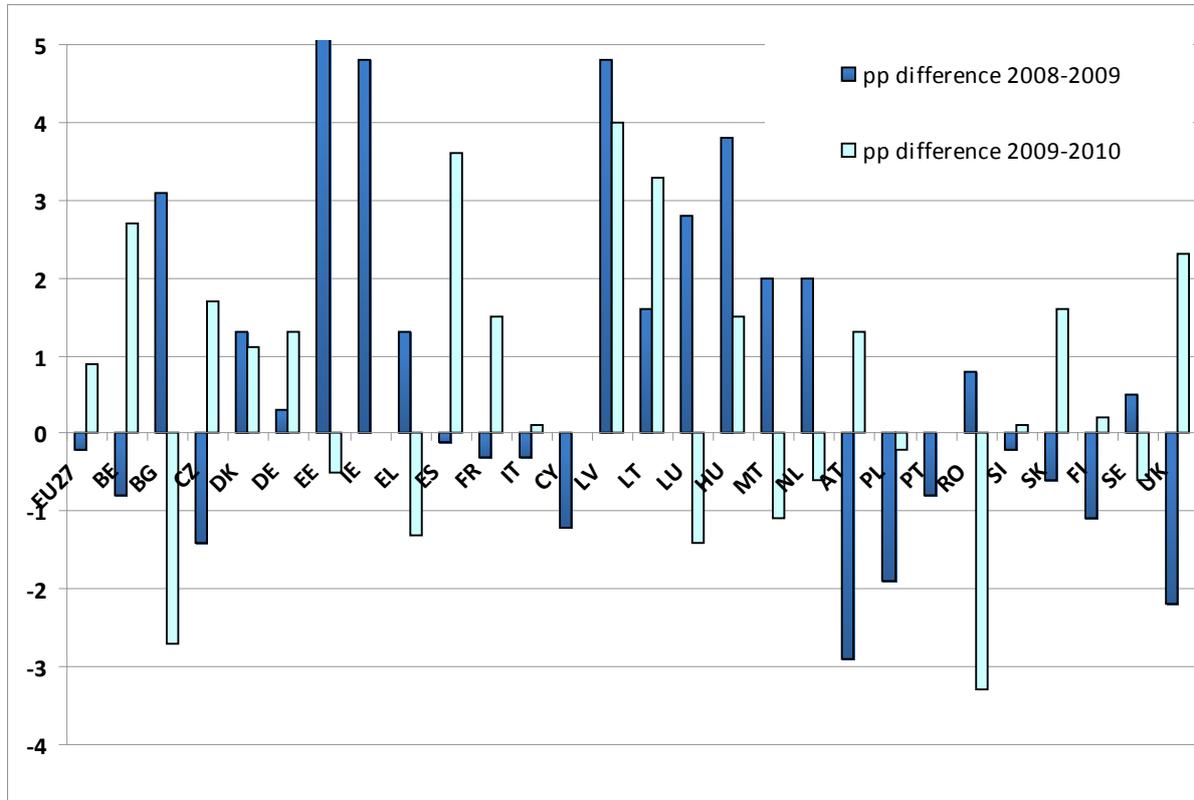
Source: Eurostat, EU SILC

Note: IE and CY – no data available for 2010; EU27 – 0 pp change for 2008-2009; MT – 0 pp change for 2009-2010

Child poverty and social exclusion is on the rise

There are already indications that the percentage of children living in poverty or social exclusion is on the rise in a number of countries in 2010. This share has risen by more than 1pp in several Member States, namely AT, BE, CZ, DK, DE, FR, ES, LV, LT, HU and SK between 2009 and 2010. The highest increases have been observed in countries with already high levels of child poverty and social exclusion such as LV (4pp), ES (3.6pp), LT (3.3pp) but also in Member States like BE (2.7pp) with levels below the EU average. The living standards for children have especially deteriorated as the share of children living in severe material deprivation has increased between 2009 and 2010 by as much as 6.2pp in LV, 4.9pp in LT, 3.7pp in EE and 3.3pp in HU. A few Member States (BG, EL, LU, MT, RO) have made some progress in reducing the percentage children at-risk-of-poverty or social exclusion. This needs to be seen in a context where the share of children living in poverty or social exclusion in most Member States is higher than the rate for the normal population.

Figure 10. Evolution of the share of children living in poverty or social exclusion (in %), 2008-2010



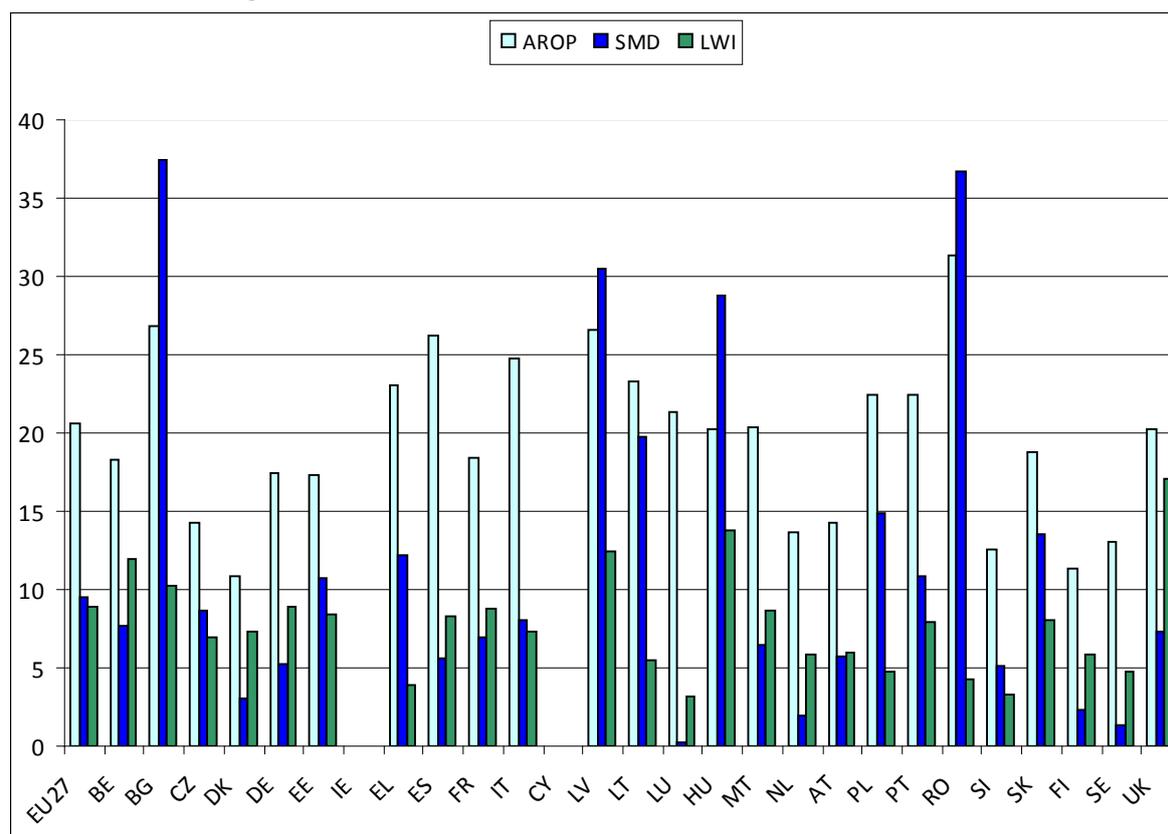
Source: Eurostat, EU SILC

Note: IE and CY – no data available for 2010; PT – 0 pp change for 2009-2010

Among Member States, there are very different profiles of the challenge related to fighting child poverty and social exclusion (see Figure 11). While in some Member States, it is to a great extent related to monetary poverty (e.g. RO, BG, LV, ES) and/or living conditions (e.g. BG, RO, LV, HU), in others it is related to the labour market exclusion of households with children (e.g. UK, LV, HU, BE) calling for very different policy solutions.

As evident from these figures, the situation of children has worsened in many countries as a result of a number of factors related to unemployment, fall in wages, decline in income support, cut back in services and their situation is likely to get worse in the next few years (Frazer and Marlier, 2011). The importance of tackling child poverty and social exclusion in many Member States and finding efficient ways to address the problem of the intergenerational transmission of disadvantages could have longer term consequences on Europe's future. Children growing-up in poverty and social exclusion are less likely than their better-off peers to do well in school, enjoy good health and realise their full potential as adults with direct impact on both the economic and social future of Europe.

Figure 11. SMD, AROP and LWI for children (0-17) (in%), 2010



Source: Eurostat, EU SILC
 Note: IE and CY – no data available for 2010

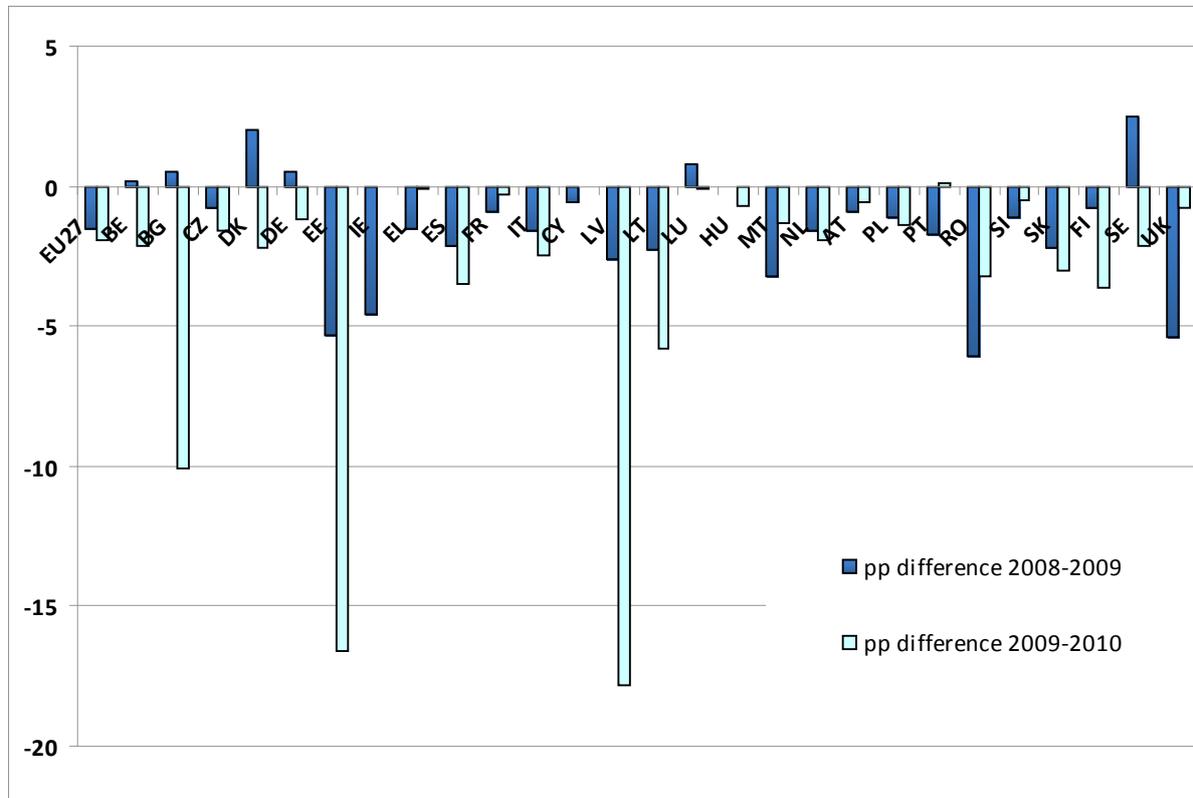
The elderly seem less exposed to poverty and social exclusion in the crisis

Poverty statistics show different patterns among the population aged 65+. The share of persons aged 65+ at risk of poverty or social exclusion has decreased in all 25 Member States for which 2010 data is available. Similarly, the at-risk-of-poverty rate for those aged 65+ is decreasing in a number of Member States (BG, BE, EE, ES, DK, FI, LV, LT, MT, NL, IT, SE, SK, RO). Severe material deprivation for people aged 65+ remains stable in most Member States in 2010 (AT, BE, DE, DK, ES, EL, FR, LU, NL, HU, MT, IT, SI, FI, PO, PT, SE, SK). In 3 Member States (EE, LV and LT) in which the overall risk of poverty or social exclusion is decreasing, the share of persons aged 65+ exposed to material deprivation is on the rise. Significant differences in the level of income between older men and women and risk of poverty have been discussed in previous section, pointing out to much lower pension entitlements for women in many countries due to short or inexistent working careers. These differences have in most cases remained unchanged during the crisis. However, with what regards the living conditions the difference is much less, to a large extent due to sharing of resources among elderly partners and compensation effects from other sources which make the living conditions of women to a large extent comparable to those of men.

It is important to assess these changes in relation to the changes in the poverty thresholds as pensions have remained to a large extent unchanged during the crisis and have in some cases brought pensioners' income above the poverty threshold due to the changes in the total income distribution while not altering in real terms their economic situation. In fact, experts from the EU Network of Independent Experts on Social Inclusion note that older

people in BG, IT, LV and RO have been adversely affected due to the cuts in or failure to up-rate pensions in line with the increasing cost of living. Overall these results suggest that pension systems in a number of Member States have met their function as automatic stabilisers during the crisis. Through replacement of the income of elderly and indexation rules they have managed to protect them against poverty.

Figure 12. Evolution of the share of elderly living in poverty or social exclusion (2008-2010)



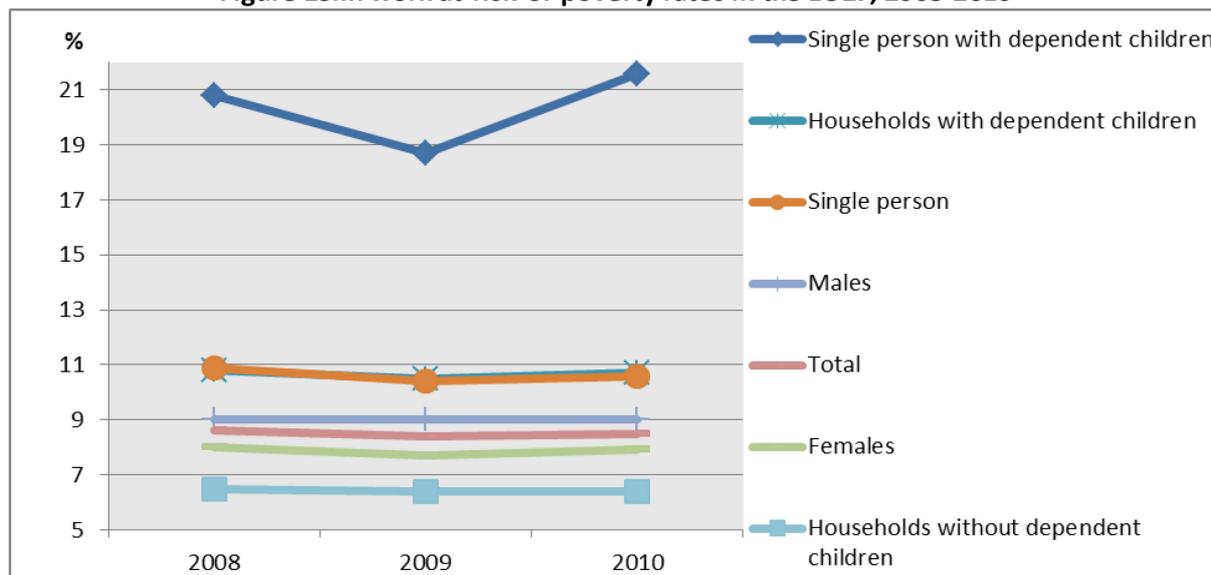
Source: Eurostat, EU SILC

Note: IE and CY – no data available for 2010; HU – 0 pp change for 2008-2009

Significant segment of the EU working population affected by in-work poverty

The current economic crisis has put policymakers in the challenging position to address the dual pressures of rising unemployment and need for fiscal consolidation. However, not only people outside the labour market are suffering from poverty. Even though employment remains the best way of avoiding poverty and social exclusion, work is not enough for lifting oneself out of poverty for a significant segment of the working population in the EU as 8.5% were considered as "working poor" in 2010 (see Table 14 in Annex 4). This rate is higher in a number of countries registering rate above the EU average – RO (17.3%), EL (13.8%), ES (12.7%), LT (12.3%), PL (11.4%), LU (10.6%), LV and PT (9.7%), IT (9.4%). The situation has remained stable in the majority of Member States in comparison with 2009 with the exception of ES and LT where there have been increases above 1 pp, 1.3pp and 1.9pp respectively, and LV and EE where some decrease has been registered, -1.7pp and -1.4pp respectively. Variables such as the household composition, level of wages, the number of hours worked, all influence the level of in-work poverty (Figure 13).

Figure 13. In work at-risk-of-poverty rates in the EU27, 2008-2010



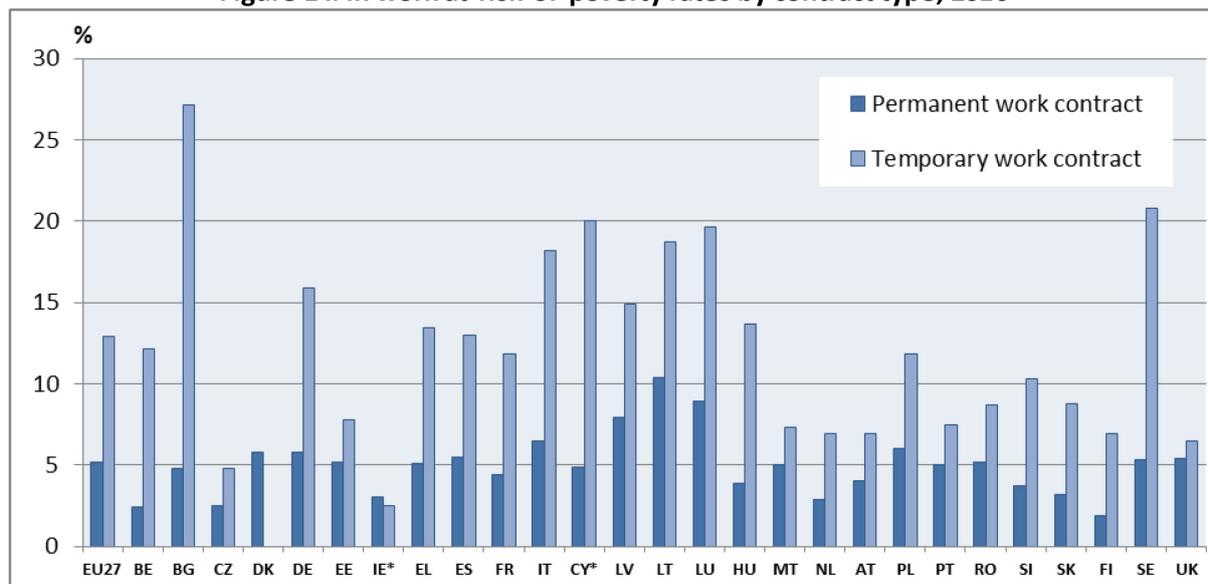
Source: Eurostat, EU SILC

In the EU27, lone parents have the highest in work at-risk-of-poverty rates (21.6% in 2010) and an increase by 2.9pp in comparison with 2009. In 2010, this rate was above the EU average in 9 Member States (LT, LU, ES, DE, PT, LV, EE, FR, BG) and almost two times higher than the EU average in LT (40.8%) and LU (39.5%) (Table 16 in Annex 4). In comparison with 2009, the highest increase in in-work at-risk-of-poverty rate of lone parents in 2010 was registered in DE (9.3pp), ES (6.0pp) and LT (4.6pp).

Among in-work poor, those on temporary contracts are twice as likely to be at-risk-of-poverty than those on permanent contracts

Furthermore, a great divergence exists in the poverty risk according to the contract type. While 5.2% people with a permanent work contract were at-risk-of poverty in the EU for 2010, this was the case for more than twice as many people, 12.9%, working on a temporary work contract (in Annex 4). The difference between at-risk-of poverty rate of people with temporary work contract and people with permanent work contract can be as much as 5 times more, for example, in BG and BE, or almost 4 times higher as is the case in SE, FI and HU (Figure 14). However, figures for the UK and IE show at risk of poverty levels that are more similar between temporary and permanent contracts. In 2010, 23 Member States had seen a fall in the number of employees with permanent jobs, in comparison to 2009. This may have important implications for the quality of jobs on the labour market: recovery in employment mainly stems from a rise in temporary jobs and the number of workers in the EU on a permanent contract has risen only moderately over the last four quarters,. However, it should be highlighted that the majority of temporary contract workers are not at risk of poverty, and in some Member States in previous years, at risk of poverty rates for temporary contact workers have been lower than for permanent contract workers. This shows that in some Member States temporary contracts can be effective at lifting people out of poverty, and that job quality is more complex than the contract type alone.

Figure 14. In work at-risk-of-poverty rates by contract type, 2010



Source: Eurostat, EU SILC
 Note: IE and CY – 2009 data

The highest increase of in work at-risk-of-poverty rate for people with permanent work contract in 2010 was in LT (an increase of 2.5pp since 2009). The highest increase of in work at-risk-of-poverty rate for people with temporary work contract in 2010 was in BG (an increase of 5.3pp since 2009), UK (5.0pp) and SI (4.1pp).

Box 1. Learning from Peer reviews: Building the tools to fight in-work poverty

A new minimum income benefit, the RSA (Revenu de Solidarité Active), was introduced on 1 December 2008 in France. The reform set out to combat poverty, including in-work poverty, as the RSA serves both as a minimum social income for those who have no earnings at all and as a top-up for those whose jobs do not provide adequate income. The reform also encourages access to, or a return to, an occupational activity and assists the social inclusion and employment of beneficiaries by rethinking the insertion mechanisms. The RSA has simplified the provision of social protection by combining several previously separate schemes into a single sum. To support the reforms, local authorities have been provided with a number of instruments that they are required to use.

As soon as a person applies for the RSA, his or her personal situation is also examined, taking into account distance from the labour market, housing, health and possible social problems. Depending on that analysis, the person is directed towards an appropriate body that can accompany his or her insertion. Two types of insertion paths are clearly distinguished in the law: the “employment path” and the “social path” leading to a stronger linkage between social support and employment insertion. Each beneficiary is designated a personal advisor during the process.

Key lessons identified in the peer review are that besides financial incentives it is essential to improve labour market conditions, for example to encourage workers into education or training, or to improve access to good quality services for job seekers. The solutions must take into account the fact that the faces of in-work poverty are very diverse across population groups, genders, households, countries and sectors. The involvement of all stakeholders is crucial to successful social security reform. Also, a simpler and more transparent system brings renewed legitimacy of social welfare benefits. For further information see the [peer review website](#).

1.2 Labour market developments

Unemployment and long-term exclusion from the labour market: common challenges

As highlighted by most Member States in their responses to the SPC questionnaire, the most evident social impact of the crisis is the high level of unemployment. Unemployment has risen steadily since March 2011 and is back to its worst crisis level, registering 9.7% in September 2011. According to the 2011 European Commission Autumn Forecast, employment growth has not been strong enough to reduce persistently high unemployment. Employment growth is expected to halt in 2012, and the low level of activity is even likely to lead to a temporary decrease in hours worked. As a result, unemployment is not expected to fall over the forecast horizon, whilst average unemployment spells are lengthening and youth unemployment has risen strongly in many countries. However, cross-country differences in labour market performance are expected to remain large.

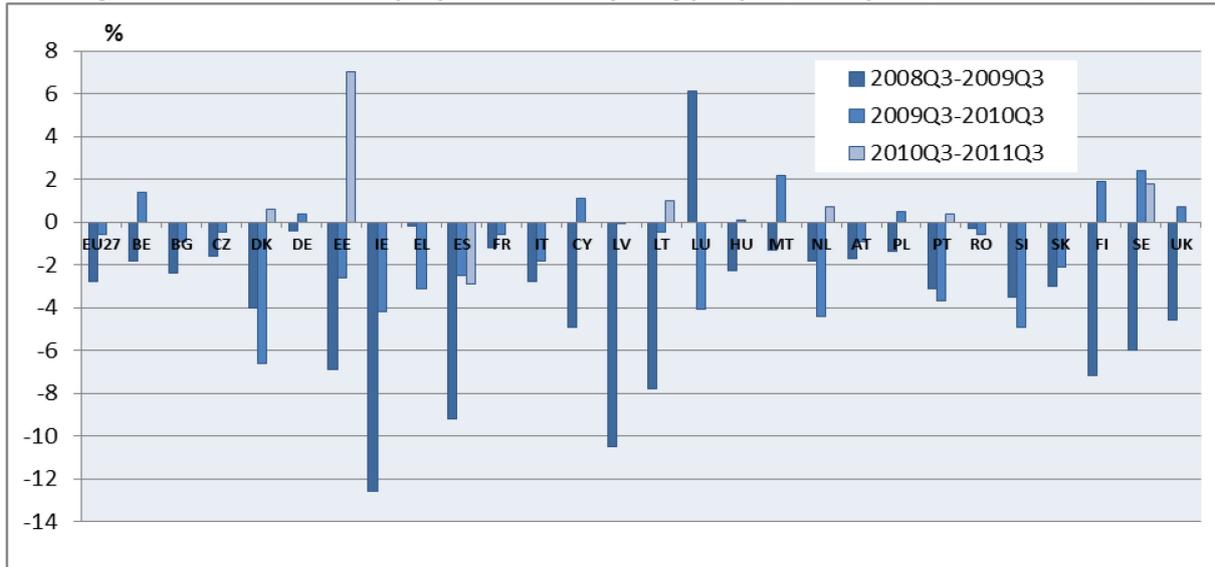
The unemployment situation is very diverse across the EU, both in terms of levels and changes. Worst off with substantial increases (at least 5 pps since early 2008) are ES, the Baltic States, IE, EL and BG. Unemployment rates have declined significantly in recent quarters in DE, SK, SE, CZ, HU, BE, MT and EE. The highest unemployment rates in the third quarter of 2011 are to be found in ES (22.2%), IE (14.4%), SK (13.4%), PT (12.4%), BG (10.2%), HU (10.3%) and FR (9.9%), all above the EU average of 9.6%, with a substantially higher long-term component than before the crisis. The lowest unemployment rates are in AT, NL and LU (less than 5%).

The increase in the number of long-term unemployed (those in unemployment for over 12 months) is one of the most important consequences of the crisis. Long periods of unemployment seriously impact the ability of workers to maintain their skills and as a consequence their ability to re-enter the labour market. They also could have further impact on individuals' self-esteem, could cause health problems, as well as the broader economy. Long-term unemployment has risen from less than 2% of the economically active population before the crisis (end of 2007) to more than 8% in ES, IE and the Baltic states in the second quarter of this year. In SK, where there was already a high long-term unemployment rate before the crisis, the rate climbed by 3pp to 9.5%. The share of long-term unemployed in total unemployment in EU 27 has increased and reached 43% in the second quarter of 2011, up by more than one third compared to 32% registered two years ago (ESSE, 2012)

Young people continue to be hit hardest by the crisis

Youth employment rate in the EU27 has decreased from 38.6% in 2008Q3 to 35.2% in 2010Q3 and was almost twice lower comparing to the total population (from 15 to 65 years) (66.2% and 64.6% respectively). The decrease of youth employment was stable in 18 Member States during the period 2009Q3-2010Q3. Youth employment rates in Member States varied between 64.3% in NL and 18.6% in HU in 2010Q3. Preliminary data available for 2011Q3 show that youth employment rates have increased in a number of countries comparing to 2010Q3 (Figure 15).

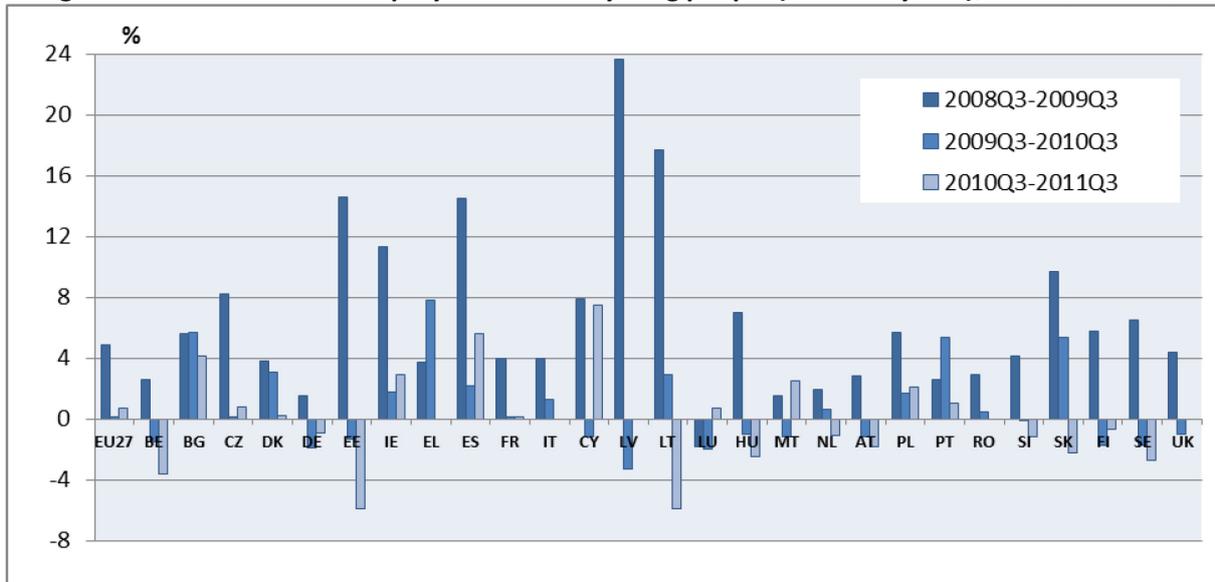
Figure 15. Evolution of employment rate of young people (15-24 years), 2008Q3-2011Q3



Source: Eurostat, LFS

Youth unemployment is again at its worst level and is much higher than the unemployment rate for the whole population (21.3% vs. 9.6% in Q3-2011), especially as a result of the economic crisis. Youth unemployment is particularly high in SE, ES, SK, PT, PL, IE, HU, FR, CY and BG, all above the EU average of 21.3% in the third quarter of 2011, combined in many cases with a sharp increase in the last four quarters, as in the case of ES, IE, CY, BG point out to the extremely sensitive issue of the problem of young people entering and integrating into the labour market (Figure 16). This can also have long-term consequences on their skills and future labour market position in terms career development and wages.

Figure 16. Evolution of unemployment rate of young people (under 25 years), 2008Q3-2011Q3

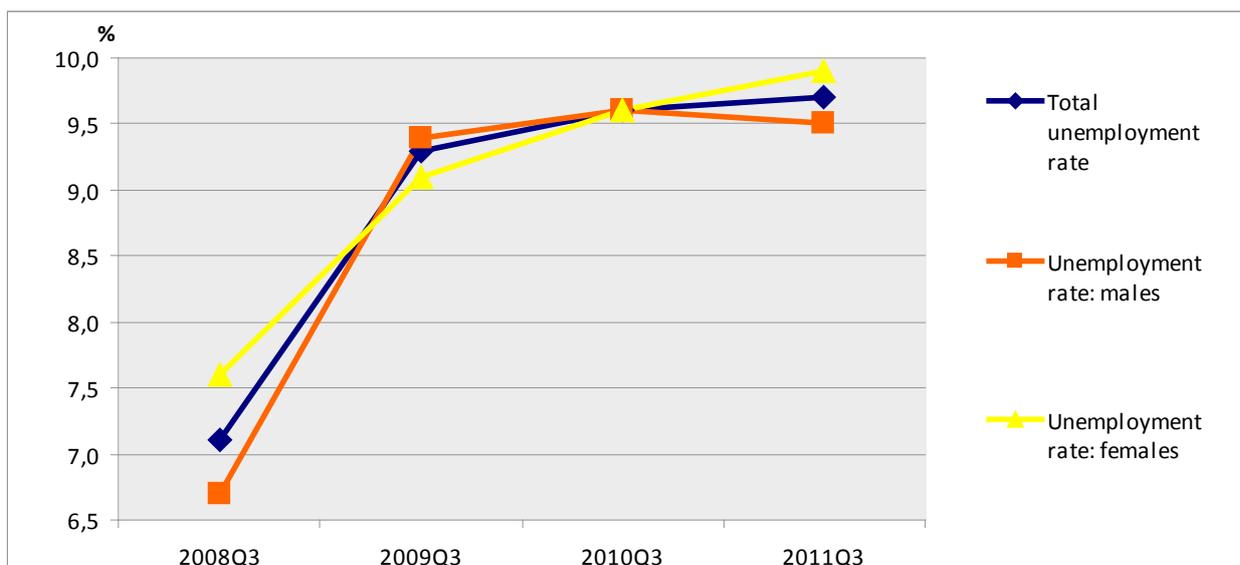


Source: Eurostat, LFS

Women appear to be more vulnerable on the labour market in the recent months

While women were hit less hard by the economic crisis up till now, in the past months they appear to be more vulnerable on the labour market compared to men as the unemployment rate for women has consistently been higher than that of men since the beginning of 2011 with latest data for September 2011 standing at 9.9% for females and 9.5% for males (Figure 17). The underlying reasons for these dynamics are related to factors such as the type of jobs on the market, the possibility of more women wanting to enter the labour market as their partners are exposed to a higher risk of becoming unemployed as a consequence of the crisis.

Figure 17. Unemployment rates by sex, EU27, 2008Q3-2011Q3



Source: Eurostat, LFS

1.3 Perception of rising inequalities is increasing

There is no robust evidence suggesting an increase of income inequalities accounted for by the economic crisis. The impact depends to a great extent on who is affected and where they are located in the income distribution (Nolan et al., 2011). Statistical measures have shown even a decline in inequality in many countries in the early phase of the crisis as capital income was hit more than wage income, while at the lower end of the distribution, the impact on pensioners and benefit recipients was cushioned by reinforced income support schemes (ESSE, 2012). In fact, classic EU inequality indicators such as the Gini coefficient and the S80/S20 quintile ratio show very small or no significant change for the data available from 2008 to 2010 (see Table 21 in Annex 4). This is to a large extent due to the time lag in the EU SILC survey which is the main cross-country comparable source of data on these aspects in the EU. However, for countries with available long time series, they clearly indicate the upward dynamics of income inequalities.

This report is the first in which the issue of inequality receives attention. Inequalities of income, outputs or access overlap with all the other consequences of the crisis and amplify the distributional impact of current austerity measures. There is clear perception of rising

inequalities among citizens as revealed by recent Eurobarometer surveys¹². Noticeably, European citizens increasingly view the question of rising inequalities as a problem beyond nationalities to be tackled on a European level. The implication of this finding for policy makers is important. The design of current austerity programmes need to preserve and rely on the inequality reduction capacity of social protection systems.

Income inequalities have always been present in our economies but the current economic situation sheds a new light on the issue. One of the most powerful instruments, besides taxation, for reducing inequalities – social protection systems- is under stress due to the rising number of benefit claims, falling social security revenues and limited room for counter-cyclical actions. Alternatively however, social measures within or alongside a well-designed austerity plan allowing for redistributive effects can contribute to the reduction of inequalities, thereby contributing to economic recovery.

According to a recent OECD analysis¹³ based on pre-crisis data, income inequality has been rising in almost all OECD countries until the late 2000s -including in countries with a solid record of low inequalities such as DK, SE and DE. This evolution was measured on the basis of annual changes in the Gini coefficient between the mid-1990s and the late 2000s¹⁴. In these three countries starting from a relatively low base, inequality rose faster during the past decade than anywhere else among the 22 countries of the OECD. According to the latest OECD report¹⁵ on inequality, the household incomes of the richest 10% of the population grew faster than those of the poorest 10% in a large majority of OECD countries, and the average income of the richest 10% of the population is about 9 times higher than that of the poorest 10%.

In the present context of economic crisis, it is of paramount importance to identify the implications of inequalities for social security systems and vice-versa. It is worth mentioning that inequality of opportunities also resulting from income inequalities inevitably impacts economic performance, waste of resources and potential. In this context, intergenerational earnings' mobility is low in countries with high inequality such as IT, the UK and the United States, and much higher in the Nordic countries, where income is distributed more evenly. Additionally, the implementation of austerity measures aimed at redressing the existing deficits must not produce the undesired effects of reducing life-time chances, education, and perspectives for future generations. An intergenerational approach is to be considered in the current public debate and a long-term vision adopted in order to avoid the exacerbation of inequalities for coming generations and the further segmentation of the labour market.

¹² Flash Eurobarometer on the Social Impact of the Crisis (December 2011); Eurobarometer on Social Climate (http://ec.europa.eu/public_opinion/archives/ebs/ebs_370_sum_en.pdf) (June 2011)

¹³ OECD (2011) : *Society at a glance : social indicators*, Paris

¹⁴ Late 2000s means any year between 2006 and 2009.

¹⁵ OECD (2011) : *Divided we stand: Why inequality keeps rising*, Paris

Although social protection provisions or transfers that promote equal opportunities, e.g. affordable childcare, education, access to some social services etc., may not be well reflected in existing measures of inequality, they remain crucial to employability prospects and social mobility of disadvantaged groups, and thus indirectly to reducing actual inequality while minimising the strain put on the welfare state.

As pointed out by the 2011 Employment and Social Developments in Europe report, the long-term effects of the crisis can turn out to be harsher as recovery does not necessarily guarantee jobs for all those who became unemployed and face risks of long-term exclusion. Income shocks may prove permanent. In fact, income losses at the bottom of the distribution can be persistent. Heathcote *et al.* (2010) found that in the United States earnings at the 10th percentile declined by a fifth in the 1980-82 downturn and they did not return to the pre-recession levels until the late 1990s. Brugiavini, Weber *et al.* (2011) find different effects in different types of welfare states: in Nordic countries formal insurance mechanisms show a mitigating role for the impact of the crisis on individual income, avoiding spillover effects to consumption and permanent income; in Southern European countries informal insurance mechanisms prevail and these mitigate the effects on income, but are unable to cope with the more persistent shocks – which are then translated in consumption; in Continental countries financial hardship seem to matter most, as both formal and informal mechanisms seems to be weaker.

The OECD report¹⁶ highlights the evolution of social protection tax-benefits systems that, confronted to rising inequalities, are no longer able to deliver the same level of protection as in the 1990s. This is mainly due to the rising number of beneficiaries, to budgetary restrictions and to changes in eligibility rules. In this sense, the reduced capacity of these systems has sometimes contributed to widening the households' income gaps. According to the same report, tax and benefits policies were able to reduce by only about a quarter the inequality for working-age adults in the late 2000s, while their corrective capacity in the 1990s was about 50% reduction in market income inequality. This stabilising corrective capacity has been declining and tax-benefit system have become less redistributive, while market income inequality has continuously been on the rise.

More recently, the ILO also demonstrated that it would not be possible to successfully recover from the recession unless social inequalities were addressed through well-designed policies¹⁷. As cost-containing measures restrain the redistributive role played by social protection systems, some social groups may experience different forms of deprivation. In this context, reduced inequalities and enhanced access to services and care would strengthen social cohesion and ensure social stability.

1.4 Take-up of benefits

The crisis induces an increased dependence upon social benefits in many Member States. Administrative data on benefit recipients for different social schemes (unemployment, social assistance and disability) were collected from Member States through the ad-hoc SPC

¹⁶ OECD (2011) : *Divided we stand: Why inequality keeps rising*, Paris

¹⁷ International Labour Organization (2011) : *World of Work Report 2011, Making markets work for jobs*.

questionnaire launched at the end of 2011, an update of the data collected for the previous SPC reports on the social impact of the crisis. While the SILC data offers comparable figures on the poverty and living conditions in Europe, it is not able to capture the immediate impact of the crisis due to the delay in data provision. Administrative data on take-up of different social benefits, on the other hand, gives a picture of the pressure on social security systems, even though it does not offer cross-country comparability due to lack of harmonization of concepts and underlying definitions. In the definition of the administrative data on benefit recipients to be collected and taking into account the different structure of benefit systems across the EU, a broad grouping into four categories (unemployment benefits, social assistance, early retirement benefits, disability benefits) was adopted in order to allow harmonized data collection from Member States while recognizing that the underlying schemes in these four categories can be very different in different Member States. As such these figures need to be analysed looking at the trend and should not be a basis for cross-country comparison. Detailed country results can be found in Annex 2.

Even though only indicative, these analysis illustrate the potential risk of withdrawing crisis measures that had increased duration or relaxed conditionality of benefits too early, especially in the context of adverse economic prospects for the near future.

Overall decrease of unemployment benefit recipients

In the majority of countries (BE, CZ, EE, ES¹⁸, DE, FI, HU, LV, LT, NL, PT, SE) the number of unemployment benefit recipients has been going down in 2011. Most significant decrease of recipients of unemployment insurance benefits has been observed in EE (-52% between 9-2010 and 8-2011), and in unemployment benefit recipients in LT (-31% between 10-2010 and 10-2011), CZ (-19% between 8-2010 and 8-2011), PT (-16% between 8-2010 and 8-2011).

As the number of unemployed substantially increased in some countries in the late 2010 and 2011 (BG, CY, EL), there has been a strong pressure observed on unemployment benefit schemes in these countries. In BG, CY, and EL the number of unemployed increased by 12%, 16%, and 35% respectively in the period between August 2010 and 2011 (July 2011 for Greece). Unemployment benefit recipients have increased by 13% between 2009 and 2010 and 105% between 2008 and 2010 for Bulgaria. 17% increase between 8-10 and 8-11 was registered in Cyprus. Slovenia has seen a 16.8% increase between 9-2010 and 9-2011. A 16% increase between 9-2009 and 9-2010 was registered in Denmark. The UK reports gradual increase in 2010, 7% increase between 1-10 and 11-10

Pressure on social assistance schemes remains strong

A number of Member States reported an increase in the number of social assistance schemes beneficiaries in the past year. The range of the increase varies greatly – from 27% between Q3 2008 and Q3 2011 in Austria¹⁹, 16.5% in the Czech Republic (between 8-2010

¹⁸ The sum of all recipients of UB has indeed decreased, but looking at the specific schemes – a 50% increase in the number of beneficiaries of the programme of active insertion income has been registered between August 2010 and August 2011.

¹⁹ The increase can not only be explained by the impact of the crisis, but is also due to the introduction of the means-tested minimum income scheme, reinforced information policy as well as statistical improvements.

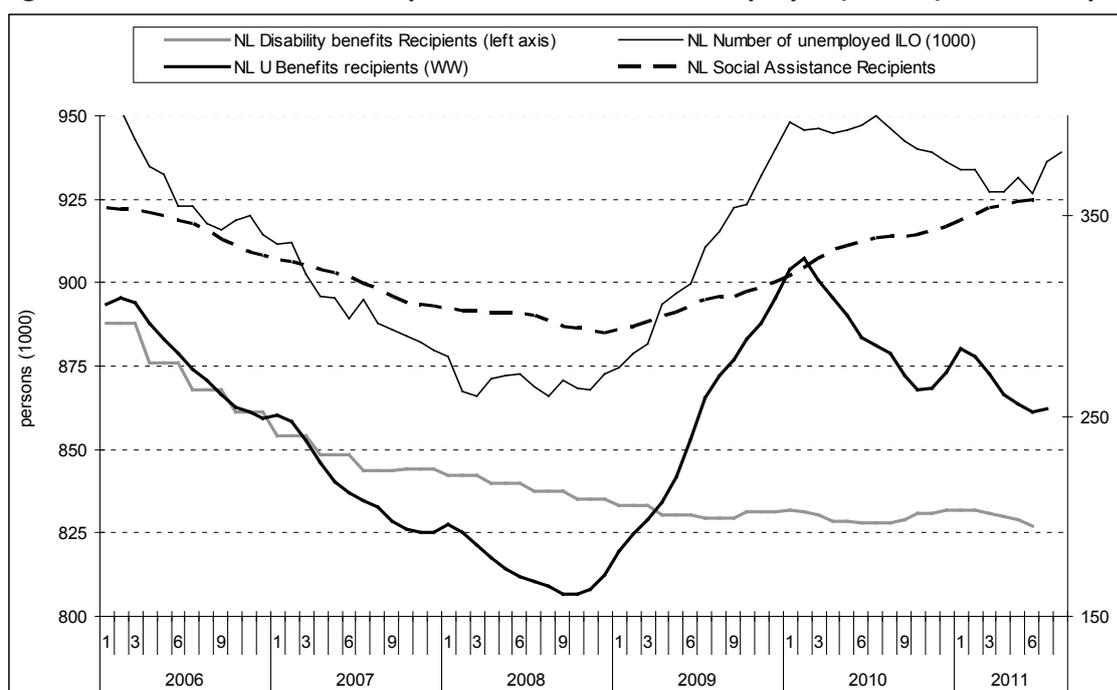
and 8-2011), 8% in Hungary (between 1-2010 and 1-2011), 5% in the Netherlands, 4% in Bulgaria (between 6-2010 and 12-2010) and France (6-10 and 6-11). Only 5 countries report decreasing numbers of social assistance beneficiaries – DE, IE, PT, SI (between 2-2011 and 10-2011) and UK.

Even though the nature of this administrative data does not allow for making cross-country comparison, some tendencies can be observed in a number of Member States.

Countries where a shift towards social assistance schemes was observed

In a few countries (NL, SE, HU, EE, CZ) a decrease in the number of unemployment benefit recipients has been accompanied by an increase in social assistance beneficiaries, suggesting a potential shift towards social assistance schemes as people lose their unemployment benefit entitlements after a prolonged period out of work. NL has seen a strong increase in the long-term unemployment rate between 2010 and 2011 while HU and EE have both registered above EU average rates of long-term unemployment in the second quarter of 2011 which could further support such assumption. Such a trend has important implications for the protection of workers' skills as it can lead to permanent loss of skills.

Figure 18. Number of benefit recipients and number of unemployed (in 1000) – the example of NL



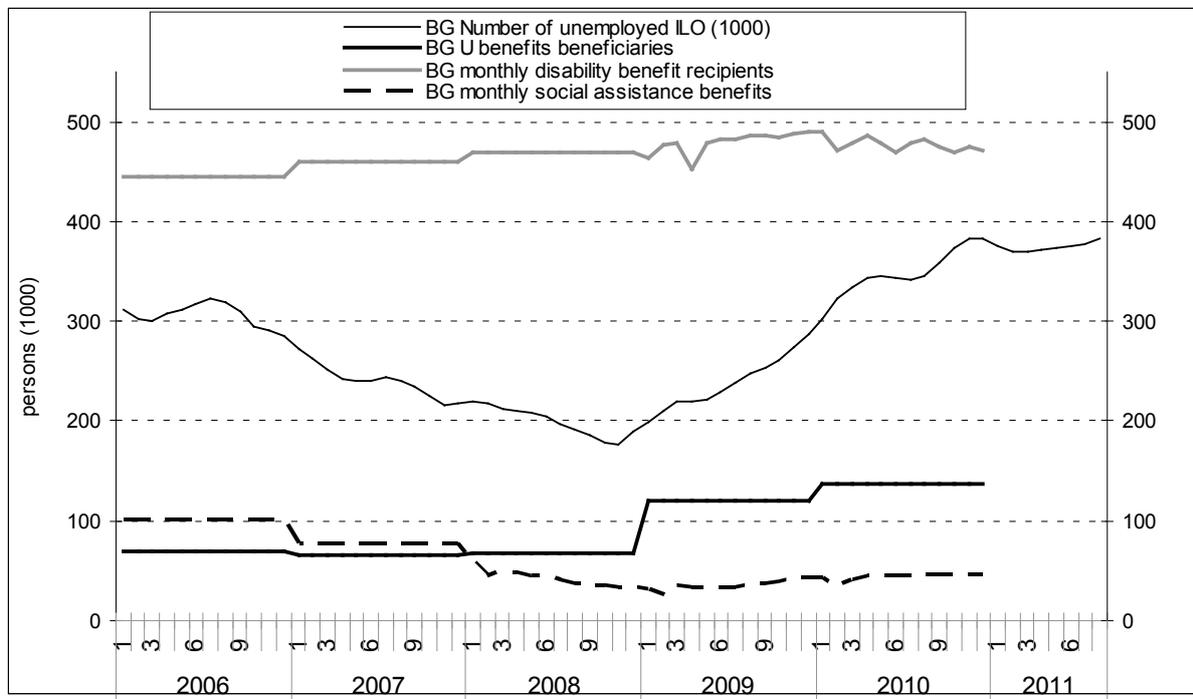
Sources: data on number of unemployed from Eurostat (ILO definition; thousands of persons, seasonally adjusted); data on number of benefit recipients collected through the SPC questionnaire.

Countries with combined pressure on both unemployment benefits and social assistance schemes

While such trends were already pointed out in the 2010 SPC report for a number of countries, recent data shows that this is now the case for only two countries – BG and CY ,

which have seen a worsening of their labour market situation. Increase in unemployment in the past year has led to significant pressure on unemployment benefit schemes while prolonged unfavourable economic situation has kept the pressure on the social assistance schemes.

Figure 19. Number of benefit recipients and number of unemployed (in 1000) – the example of BG



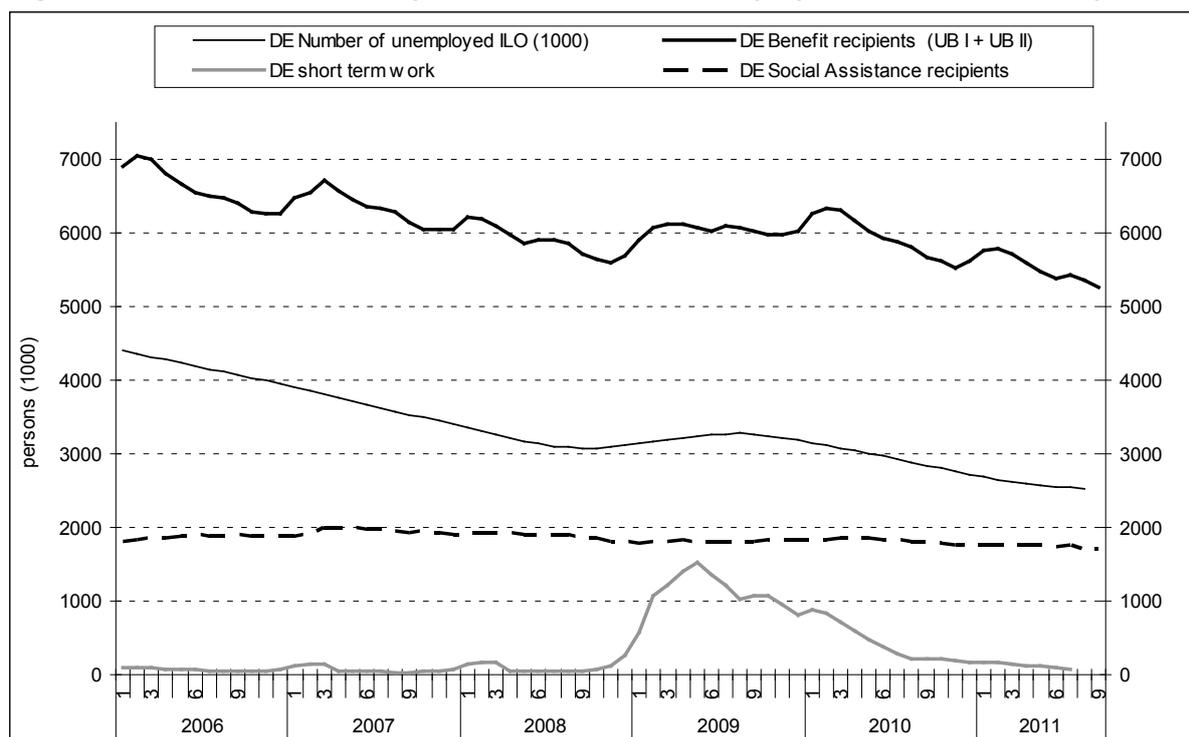
Sources: data on number of unemployed from Eurostat (ILO definition; thousands of persons, seasonally adjusted); data on number of benefit recipients collected through the SPC questionnaire.

Countries with downward trends in social benefits recipients

Only two countries (DE and PT²⁰) report decreasing numbers of beneficiaries on both unemployment benefit and social assistance schemes. However, these trends should be interpreted with caution as the underlying factors for these developments need to be explored in depth before suggesting a decreasing pressure on social protection systems.

²⁰ Changes were introduced in the Portuguese Means-Testing Scheme, through Statutory Decree 70/2010 of 16 June 2010, redefining non-contributory social benefits entitlement conditions, namely the following: unemployment social benefit; parental social benefit, family benefit and social integration benefit. The concept of family household is now similar to the common concept of domestic family household, there is more effectiveness in the calculation of the total income to be considered and a different scale of equivalence for valuing individuals in the household where there are economies of scale. These changes came into force on August 2010, aiming to strengthen the efficiency and accuracy when granting these benefits and other social supports.

Figure 20. Number of benefit recipients and number of unemployed (in 1000) – the example of DE



Sources: data on number of unemployed from Eurostat (ILO definition; thousands of persons, seasonally adjusted); data on number of benefit recipients collected through the SPC questionnaire.

Recent trends on other schemes

The 2011 report confirms the trend of no significant additional pressure on disability schemes in the crisis period observed in the 2010 SPC report. In many Member States the number of recipients has remained rather stable (DK, EE, ES, HU, IE, IT, LV, NL, PL, SI). Some decreases (3-11%) were observed in BG, CZ, FI, LT, PT, RO, SE, UK, while DE – 8% increase between 2009 and 2010, SK – a smaller 5% increase between 8-2010 and 8-2011 and AT – 3% increase between 8-2010 and 8-2011.

Among Member States with early retirement schemes, beneficiaries have increased in the few countries for which we have most recent data – 33% between 8-10 and 8-11 in LT, 15% in CZ and 5% in PT for the same period. DE is the country registering the strongest decrease (77%) between 7-2010 and 7-2011.

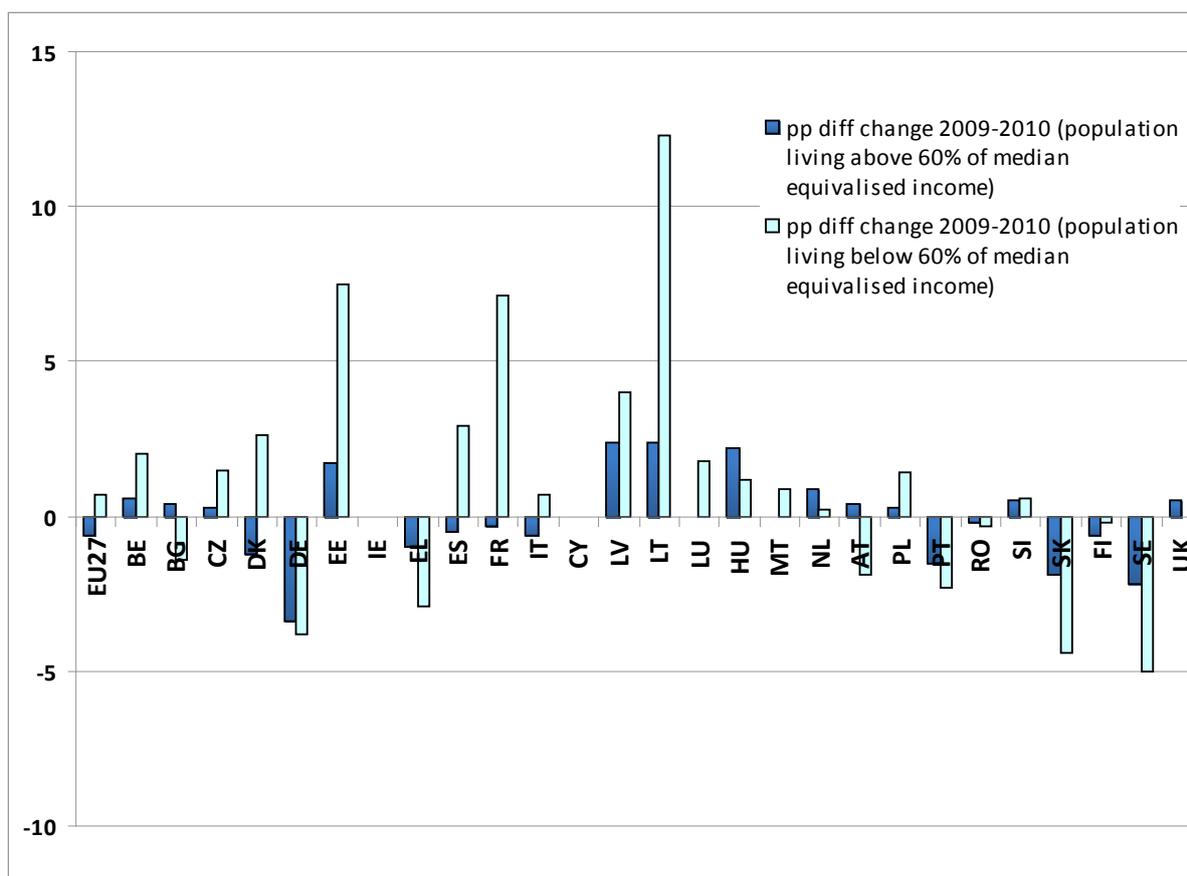
1.5 Over-indebtedness and housing access

As the crisis reduced the level of disposable income of households, this automatically translated in a decrease in the capacity of households to meet their financial obligations. Frazer and Marlier (2011) report that increasing difficulty in paying bills and a rise in indebtedness has been registered in many countries (e.g. CZ, EL, ES, FR, HU, IE, NL, PT, RO, UK), especially with what regards repaying housing loans. In BE, during the period 2008-2010 the number of persons with at least one not regularized overdue debt repayments had increased by 5.3% from 2008 to 2009 (from 392 884 to 413 708) and by 3.4% from 2009 to

2010 (from 413 708 to 427 802). This trend has continued in 2011; the number of persons with at least one not regularized overdue debt repayments reached 434 570 in September 2011. Increase of 11.5% in the admissible demands for collective debt settlement offers further evidence for these trends. This reflects the situation whereby in order to mitigate the risks of over-indebtedness, borrowers increasingly confronted to payment difficulties prefer more and more to go to collective debt settlement procedures. In PT overdue loans ratio of private individuals for consumption and other purposes had increased almost twice, from 5.9% in Q1 2009 to 9.2% Q2 2011. In CY, 8.4% of all outstanding loans to private individuals in March 2011 were non-performing ones. In NL the number of households that applied for debt rescheduling has increased by 48% compared to 2009. Similarly, in SE the number of approvals of debt restructuring increased from 1039 in the first quarter of 2010 to 1270 in the first quarter of 2011. In FI there were about 3,000 private debt restructuring petitions in the country in 2010. The number of petitions did not change in 2008-2010, but in the first part of 2011, the number of petitions increased clearly compared with the corresponding period of the previous year. Nearly 60 per cent of household-dwelling units had debts, mostly in the form of housing loans. In RO the number of households that could not pay on time all debts increased with 3.7pp to 36.7% in 2010. In UK, a decrease in the proportion of households using unsecured credit has been noticed since 2008/9 but an increase was recorded in the level of debt, both in absolute terms and as a proportion of household income. As other countries, in terms of specific groups, the highest levels of unsecured debts were found among lone-parent families and low-income households. Only MT reports a decrease of 38.85% from 2008 to 2009 in the number of households which have been in arrears on mortgage or rent payments. Similarly, the number of households in arrears on utility bills declined by 2.12% from 2008 to 2009.

The general trend of increase of over-indebtedness of households in European countries can also be perceived through difficulties in paying in a timely manner utility bills. In CY, 12.2% of the population was unable in the last 12 months to pay on time (as scheduled) utility bills (heating, electricity, gas, water, etc...) for their main dwelling (EU SILC data 2009). In RO, in 2010, over 48.6% of the households that did not pay in time all debts were not able to pay utility bills (water, gas, heating) and 51.6% were not able to pay their electricity bills. In SI, 17% of households were unable to pay their utility bills at least once due to financial difficulties (2 ppts more than in 2008). In HU, the number of all loans debtors in arrears for over 90 days and in excess of the applicable rate of the minimum wage increased from 622 000 in 2009 to 806 000 in June 2011. The EU Network of Independent Experts on Social Inclusion registers a substantial increase in the cost of living in CY, HU, LV, RO and UK, and in particular the faster than average increase in the price of basic goods (Marlier and Frazer, 2011).

Figure 21. Share of housing costs in disposable household income, 2009-2010, for different income groups



Source: Eurostat, EU SILC

Note: IE and CY – no data available for 2010; MT and LU – 0 pp change for population living above 60% of median equivalised income; UK - 0 pp change for population living below 60% of median equivalised income

The share of housing costs in the disposable household income for the population living below the 60% poverty threshold has increased by at least 2pp in 7 countries between 2009 and 2010 while it has remained largely stable for the people living above the 60% poverty threshold. Greatest increases are registered in LT (12.3pp), EE (7.5pp) and FR (7.1pp) while SK and SE show significant decreases, 4.4pp and 5pp respectively (Figure 21).

Few countries report on the impact of the economic crisis on the access to housing, housing credit and the ability to cover mortgage. While in AT, the number of evictions carried out was slightly reduced from 2008 to 2010, possibly as a result of reinforced preventive counselling of public advice centres, in DK the number of evictions from 2008 to 2010 has increased on average by 9% each year and the number of repossessed dwellings has significantly increased from the years 2009 to 2011 (from 405 repossessed dwellings to 1307 repossessed dwellings). In PL, available data show that in 2009 (compared to 2007) the number of eviction proceedings and sentences of evictions significantly increased (by about 42% and 14%). Increasingly high prices make access to housing problematic in Bulgaria.

Interest rates on housing loans remained at relatively high levels in CY (higher than euro area rates). In DK, there is a drastic decrease in gross and net lending of mortgage loans, from the years 2009 to 2011. In IE, 7.2% of private residential mortgage accounts registered in June

2011 were in arrears for more than 90 days and accounts in arrears of 91-180 days rose from 8 504 in the third quarter of 2009 to 15 723 in the second quarter of 2011. HU like other European countries has experienced a noticeable reduction of its housing credit market, so that it stands now at barely 1/5 of its pre-crisis level.⁴ In PL due to the economic crisis availability of mortgage was limited. The level of request for housing credits hasn't changed. However, the number of refuses has increased (number of newly mortgage granted decreased from 286 762 (in 2008) to 119 775 (in 2011)). The share of Mortgage at risk of non-payment (at end of yr) went from 1.1% in 2008 to 1.8 in 2010.

On the other hand in PT, the percentage of borrowers with overdue loans for housing decreased from 8.3 to 5.5 from the 1st Quarter 2009 through the 2nd Quarter 2011. On the other hand, the relatively small mortgage market in SI (9% of GDP) is rapidly growing and housing-related loans account for 40% of all new loans in 2010. In MT, during the 2008-2009 a decreasing trend in the number of households which have been in arrears on mortgage or rent payments (base year 2008=100, 2009=61.15) has been observed. Similarly, the number of households being in arrears on utility bills declined (base year 2008=100, 2009=97.88). When the number of persons was analysed, the situation is less uniform. The number of persons in arrears on mortgage and rent payment declined (base year 2008=100, 2009=66.36); an increasing trend has been observed in the number of persons who have been in arrears on their utility bills (2009=131.99) and on hire-purchase instalments or other loan payments (2009=143.78). The issue of housing exclusion is critical in Bulgaria in view of the worsening of the housing conditions of the Roma throughout the country. In PL in the period from 2007 to 2009 the total amount of debt due to delays in paying housing charges/rents increased by about 12,5% with the debt of those living in municipal dwellings being the highest.

2. NATIONAL POLICY RESPONSES TO THE ECONOMIC CRISIS AND FISCAL CONSOLIDATION. AN ANALYSIS FROM THE SPC SURVEY

2.1 Labour market and activation measures: reducing unemployment risk through enhancing labour market skills and job creation

Member States have undertaken various measures to alleviate the social impact of the economic crisis and fiscal consolidation. Results from the SPC survey carried out among Member States in the last quarter of 2011 show that for many countries fighting poverty and social exclusion is strongly linked to labour market inclusion and activation measures. Increasing (long term) unemployment and bouts of inactivity are seen as the main negative social effect of the ongoing crisis in UK, CY, FI, LT, LU, SK, BG, EE, NL, IE, MT, HU, FI, SE, PL, ES, EL and PT. A high level of youth unemployment in several Member States is a big cause for concern. Active labour market policies have been developed the Member States in order to mitigate the negative consequences of the crisis for the unemployed, the job seekers, and those in precarious work. EE for instance, has started to implement labour market activation policies as soon as the signs of the financial crisis started to be visible in 2008. Activation policies have been implemented in a large number of Member States: CZ, HU, BG, FI, UK, LU, PL, SK, BE, HU, SE, MT, ES, EL, CY, NL, EE and AT. In order to incentivise such labour market activation, HU for instance, has taken measures which increases activation through

increased conditionality of benefits by shortening the duration of the unemployment benefit and applying stricter conditions for eligibility. Some of these countries target specific groups of unemployed persons, such as those in long-term unemployment, the low-skilled, ethnic minorities, migrants, youth, the older segment of the population and women. These groups have additional needs and experience poorer outcomes if these needs are not met. For instance, CY offers financial assistance to women who enter the labour market for the cost of care services (child care and care of other family members).

A few Member States have put emphasis in short-term activation measures, which provide immediate, albeit temporarily, relief for the unemployed. Employment subsidies and (public) job creation measures have been implemented in FI, SK, BE, AT, EL, CY and HU. As an alternative to layoffs, SK, CY and BE offer financial support in the form of contribution to wages to companies for keeping people on the payroll in return for allowing short-term working arrangements. Disadvantaged groups are the target of such short-term activation measures in SK, FI and HU. In FI, additional funding is set aside to support the participation of the long-term unemployed in wage-subsidised work. Work opportunities in the public employment sector for long-term benefit dependants are being introduced by HU, aiming towards geographic areas with high numbers of long-term job-seekers and few employment opportunities. Such action helps preserve workforce skills, and is based on the belief that demand would rebound. Still, the creation of jobs through subsidies and public job creation does not provide a long-term answer to the unemployment problem. This is because in many cases, these job creation programmes are temporary in nature. At their best, these schemes should provide a bridge towards a more permanent employment solution. The crisis also affected the quality of employment; jobs commensurate with the prevailing skill levels, full-time, secure open-ended contracts are being replaced with more precarious, short-term forms of labour.

The UK, BG, HU, ES, EL, CY and FI have stepped up their public employment services with a view towards providing better and more efficient access. The UK has aimed to increase the efficiency of these services through the introduction of pilot schemes which integrate job centre advisers into children's centres, so that better access to services is provided for parents. This allows for a better targeting of these services towards people who are most likely to need them, such as for instance single parents. Trial programmes have been introduced in FI where long-term unemployment is tackled at the local level, by taking over the responsibility for the management of employment up to 12 months after a person has become jobless. SE and AT have targeted young people and women respectively with proposed measures to activate these particular groups. ES has introduced tailored measures and individual personalized itineraries to facilitate the unemployed enter the labour market. It has also improved the public employment observatories, which are tasked with identifying productive emerging economic sectors and activities. The private - public collaboration has also been strengthened.

With a view to increase the employability of people, measures with a long-term perspective such as education and training schemes are being introduced in the UK, BG, LU, FI, MT, HU, ES, EL, CY and PL. In LU, the financial participation of the government for the costs of vocational training for employees increased from 14,5% to 20%, reaching 35% for training given to employees over 45 years old as well as the low-skilled. In FI, increased financial

resources (EUR 60 million per year) will be allocated to tackling youth inactivity by guaranteeing a job or a traineeship to an unemployed young person under 25 years old, or to a newly graduated unemployed person aged 30 years or less. Additional funding is set aside to support the participation in vocational training for long-term unemployed persons. In the UK, jobseekers whose lack of English prevents them from getting a job will be required to attend English language training. PL offers support for companies with financial difficulties for the investments in the skills of their employees which are directly linked to the needs of these companies. ES has approved in the framework of social dialogue, a work contract which combines remunerated work (75% of the working day) with training (25%). In HU, the government facilitates the entry into the labour market for the Roma population through the improvement of their employability, the quality of their education, participation in training programmes. MT aims to activate more females in the labour market through the provision of afternoon education programmes, an increase in the provision of affordable child care, and practical assistance and guidance to start their own SME. Such investment in human capital development has the merit of boosting the employability of people. It also offers a (new) career path to those whose skills do not match the current demand for jobs by adapting their skills the needs of the labour market needs.

As Member States are under pressure to reduce government spending, both incentives and opportunities are needed to reduce the level of (long-term) unemployment and welfare recipients. While some countries have focused progress on attracting new participants to the labour force and cutting back unemployment, prolonged welfare dependency remains a problem in several Member States. These challenges are being addressed by major reforms to the way social protection is organised and administered in the UK and HU. In the UK, the Welfare Reform Bill aims to ensure that employment pays more than being a social assistance beneficiary. Those on benefits will face tough sanctions if they refuse to look for work. In HU, the National Plan for Work aims to reduce dependency on social benefits and promote the labour market participation of those capable of working through public employment programmes. The level of social benefits shall be made lower than the salaries received through these employment programmes. While such measures have the merit of breaking the cycle of long-term unemployment and prolonged welfare dependency, attention to the quality of jobs made available is of utter importance. In the current economic climate, governments are experiencing a lack of jobs and public money to help those on benefits find work.

2.2 Measures to support people's income

Being employed is not a guarantee for escaping the poverty risk, thus income-enhancing measures have been set up in a number of countries. Social assistance-related programmes provide relief to households who would not otherwise have the resources to meet their basic needs, notably the unemployed. Their aim is to provide an adequate level of income, particularly to those most affected by the crisis and ensuing fiscal consolidation. It appears from the SPC survey that Member States strive to balance these priorities with the demanding process of fiscal consolidation, including in the social benefits expenditure area. The tendency among Member States is to reduce long-term income support measures and move towards short-term relief assistance.

Such is the case in CY, where in order to offset the rise of the cost of living and the imposition of 5% VAT on foodstuffs and medicines (for fiscal consolidation), measures have been introduced to protect particular groups of the (working) population. These measures consisted of the provision of a benefit to low-income pensioners, low-income working households, long-term unemployed, persons with disabilities and public assistance recipients. Also, a one-time compensation to vulnerable persons and families living on social assistance or with a low income has been announced. The austerity program currently implemented by PT includes higher taxes and reducing the number of benefits, which have led to a contraction in family income. Some of the measures designed to offset these actions are a 10% increase in unemployment benefits for unemployed couples with children, an increase of the free distribution of basic goods as well as a 10% increase in subsidies to welfare institutions. CY has widened the financial support to students of low socio-economic status. In FR, it has been decided to increase progressively the benefits for disabled people and minimum pensions for retired people by 25 % in total, over a five year period (between 2007 and 2012).

FI, ES and PT have increased the level of their unemployment benefits; ES has done so for long-term unemployed people. FI, CZ and SK have loosened the eligibility rules in order to increase the coverage of unemployment benefits.

A few Member States have developed or reformed minimum income schemes. Over the last year, RO has reformed the minimum income scheme by extending the coverage of social transfers so that a minimum income is guaranteed to every citizen. The conditionality of benefits, such as means-testing and the linkage with willingness to accept job offers has been strengthened. FI has increased the level of the minimum social security benefit by 6%. In FR a simplification plan of the minimum income scheme was launched in July 2010, aiming at improving information and access for beneficiaries or potential beneficiaries, better coordination of all actors involved and inclusion into the labour market. The scheme has also been implemented in overseas territories in 2010 and it will also be adapted and implemented in Mayotte by 2012. In DK, the lowest benefits have been abolished.

NL, AT, FI, SK, BE, RO, FI, DE, MT, CY, HU and the UK have focused income support measures at supporting households with children. If instituted on a long-term basis, such targeted support towards children helps break the poverty transmission cycle where in certain families poverty is transmitted from one generation to the next. In this regard, the NL has increased the child budget for a second child (a one-off measure, valid in 2011 only), while SK has increased the amount of child allowance (also increased by CY), child tax credit and compensation for child support as well as the contributions for child care. RO has introduced an allowance for families in the first three deciles of the population which are linked to the school attendance of the children from the beneficiary families. Additional funds are allocated in FI for the income support of single parents. HU introduced a child tax allowance which reduces the tax base of parents raising children. Parents, who work part time while raising children, are at the same time eligible for childcare allowance of up to 3 years. Coupled with the planned expansion of the capacity of crèches, this could contribute to an earlier return to the labour market for individuals on parental leave.

DE and the UK support disadvantaged children in fulfilling their potential through educational initiatives. In DE, an education package for disadvantaged children provides low-income families with support in the form of social, educational and cultural projects for children. The UK supports the educational development of disadvantaged pupils and incentivises good schools to take on more pupils from poorer backgrounds. These measures tackling early child education are expected to have long-term benefits.

2.3 Other policy areas have also been mobilised in order to alleviate the impacts of the crisis

Countries have also mobilised resources in areas which mitigate indirectly the negative consequences of budget cuts in basic services. Usually these are targeted towards disadvantaged groups. For instance, CY, UK and PT have introduced measures in the area of transport. In the UK, eligible older, disabled people continue to be entitled to free off-peak travel on local buses. In CY public transportation is free of charge for pensioners and soldiers of the National Guard. This measure has been extended as from July 2010 through the new transportation of children under 12 years old and students of secondary school and discounted fares (50%) apply to University students. Free transportation of persons with disabilities is currently under study in cooperation with the Ministry of Labour and Social Insurance. BG continues to offer reduced fares for the public transportation for people with disabilities, pensioners, low-income groups, pupils and students. Persons with severe disabilities in DE can use public transportation means for free/reduced charge, while PT has introduced support in the areas of public transport targeting disadvantaged families.

Some Member States have introduced measures for housing and utility costs, namely CY, UK, NL, AT, LU, MT, FI, ES, FR, MT and PT. These measures are either one-off or long-term, or both, which is the case in MT and UK. The UK continues to make "Cold Weather Payments" for each seven day period of very cold weather between November and March as well as a Winter Fuel Payments as yearly one-off payments to help the elderly pay for heating in winter. In MT a new one-time energy benefit was introduced in September 2011 benefiting vulnerable families to compensate for the increase in fuel prices. Single parent families, beneficiaries on social assistance, special unemployment benefit and age pension recipients automatically qualify for this benefit. FR has significantly increased the existing support for electricity and gas costs for disadvantaged people. In CY, in order to offset the increasing cost of electricity, a discount for public assistance recipients, persons with disabilities and large families is in place. PT has introduced support for electricity costs, targeting the most disadvantaged families.

As far as housing costs are concerned, the NL has lowered the conveyance duty for one year in order to stimulate the real estate market and make buying a house more attractive. AT provides funding for a campaign promoting thermal insulation for private households. In conjunction with banks which have repossessed properties, PT introduced a measure for the provision of housing at rents below market prices.

2.4 Reforming the pensions systems

General pension reforms have taken place or are under preparation in a number of Member States (BE, EE, ES, DK, MT, LU, LT, NL, EL, IT, IE, RO and PT). Often these reforms go in the

direction of rising the pensionable age or bringing forward the plans to do so in countries such as CZ, EE, ES, LT, NL and UK, equalising the pensionable age for men and women (CZ and LT), providing incentives for people to work more and longer with the view to raising the effective retirement age (in BE and ES), tightening the penalties for early retirement (CZ), raising the age and career requirements to qualify for early retirement (BE), as well as increasing the contribution amounts for the pension funds of the state social security system in BG.

These reforms seem to primarily respond to the demographic developments (growing number of old-age pensioners), and aim at meeting the challenge of guaranteeing the sustainability and adequacy of pension systems in the long term, thus, they should not necessarily be seen as motivated consequence of the crisis. CZ and ES report already increases in the numbers of old-age pensioners over the last year. Moreover, the average pension has increased as a result of better contributions over the working career of new flows of retirees in ES, while in CZ and SK the total pension expenditure has increased (although it should be also noted that the slump in GDP triggered by the economic downturn is also a cause for the relative to GDP increase in pension expenditure over the last year in CZ).

Other pension policy measures have been directly prompted by the crisis and are seen as part of the fiscal consolidation strategy: notably, the need for cost-containment have motivated many Member States to review their methods for the indexing of pension benefits in payment and they have come to reduce the indexation of pensions in HU and, for 2011, in ES or temporarily frozen pension benefits levels in PT.

Member States have often prioritized the full indexing of basic, guarantee and minimum pensions as well as minimum income provisions, in order to mitigate the risk of poverty and material deprivation for low income and vulnerable older people (in ES, FI, LT and PT). In CY cash benefit schemes have been addressed to pensioners' households whose total annual income is below the poverty threshold. Thus, in order to avoid increasing precariousness as a result of the austerity measures, Member States consider adopting measures focusing on those in a precarious economic situation, and seek savings where they can be more easily absorbed without causing havoc.

Other pension measures related to the ongoing process of fiscal consolidation include the faster pace in the implementation of the retirement age increase in FR, the transfer of banks' pension funds to the state social security system in PT (that will exceptionally be used towards meeting the 2011 deficit target), and the dissolution of the mandatory funded schemes in HU. The tax on pension income has been lowered in SE, while in PT pensioners are subject to the convergence of their personal income taxes with labour income taxes.

2.5 Health care: increasing cost-containment

The results of the SPC crisis survey for 2011 show that in many Members States health care systems were under pressure to reduce health care costs. As the demand for medical care is determined by the depreciation of the health capital of each individual, the cost-containment of health expenditures aims at either moderating demand through transferring

part of the cost to the patient (cost-sharing between the patient and the health insurance arrangements) or at limiting the supply of health care services by reducing the number of beds or limiting the number of medical acts.

Access to essential health and social services has worsened during the crisis according to a recent Eurobarometer²¹ study showing that in some countries citizens report facing difficulties accessing health care. 29.6% of EU respondents said in October 2010 that the affordability of healthcare was somewhat or much more difficult 'in the last six months'. Rises in unmet need for care might be due to high out-of-pocket payments that they can no longer afford, or to a weakening in the public provision of services.

In PT there will be an increase of the moderating fees in the National Health Service (NHS) from the 1st of January 2012 on. Yet, moderating fees for primary health care will be kept at a lower level compared to outpatient specialist services. Previous exemptions were also reviewed and, therefore, will now be extended, in order to cover a wider population, thus meaning, circa 6 million citizens, namely, the most vulnerable and deprived groups. In HU, co-payments for day care for chronic hospitalized patients were increased from 400HUF to 800HUF/day. In the case of CY, the impact of economic crisis on the health care provision over the past year identifies an increasing demand regarding the provision of public health services.

Similarly, in FR the co-payment for health care services (including primary and secondary health care services and pharmaceuticals) was among the instruments used for controlling health care expenditures. For several years now (these measures have been decided before the beginning of the crisis), patients in FR (except for those with low incomes or affected by a long-term disease) pay 18 EUR per day spent in hospital, 1 EUR per doctor's visit and 0,50 EUR per prescribed medicines, and all co-payments born by the patient are capped at 50 EUR per year.

Other Member States seek ways to contain costs in long-term care. In the NL the Government enacted legislative changes aiming at transferring the responsibility for long-term care to the municipalities, which are now responsible for the housing conditions in long-term care institutions.

Despite the crisis focus of the SPC 2011 review, some countries reported in their answers actions not belonging to the category of crisis measures as they correspond to long-term public health objectives. In the UK, tackling health inequalities through addressing the long-term determinants of health across the social gradient is an issue of priority. The Government published a white paper *Healthy lives, Healthy People* which set out social determinants approach to health across the life course. This strategic paper stressed the health risk stemming from unemployment drawing in particular form the evidence available from the early 1980s and from more recent evidence showing the mental health problem caused by unemployment particularly for lower socio-economic groups. It drew the attention to health status of young unemployed people and the implications of this for their life-course. The issue of health inequalities has been also a priority in Finland through a

²¹ 2011 Social Climate Eurobarometer

national action plan for reduction of health inequalities. The action plan contained measures for health promotion in vocational schools, raising alcohol and tobacco taxation and improving monitoring on health outcomes.

In HU, actions have been taken to improve life expectancy by providing incentives for changes in life-style. In 2011, the Parliament passed legislation, which introduced a “public health product tax”. The aim was to tax foods and drinks containing quantities of sugar, salt and caffeine exceeding certain thresholds.

As far as the impact of the crisis on health status is concerned, a great majority of responses point to the lack of timely data on 2010.

2.6 Regular monitoring of the crisis

Most member states - UK, NL, AT, LT, PL, LU, BE, SK, CZ, SE, BG, EE, IE, MT and CY report that they have regular monitoring exercises, or are in the process of developing such tools in order to assess the social impact of the ongoing economic situation and ensuing fiscal consolidation. This exercise takes place either within a pre-existing policy monitoring framework (UK, NL, PL, BE, SK, SE, DE, BG, EE, IE, MT, EL), and/or within a system which has been setup in the context of the crisis (AT, LT, LU, PT). For instance, LU has set in place a specific inter-ministerial working group composed by officials of the Ministry of Family and Integration and the Ministry of Social affairs in order to provide relevant information on national indicators related to labour market trends, benefit take up ratios, housing, indebtedness, and financial exclusion. In LT, the State Social Insurance Fund Board has monitoring tools in place in order to measure the social impact of the current economic situation. The PT government monitors and assesses the performance of the austerity measures put in place since 2010.

Monitoring occurs on a weekly basis in UK and NL, on a monthly basis in the UK, RO, PL, CZ, SE, DE, BG, EE, PT and BE, each quarter in CZ, RO, DE, PT, LT, MT and EE, each trimester in EL, bi-annually in AT, RO, FR, EE, MT and BE, annually in NL, RO, LT, PL, SK, CZ, EE, PT, BE, EL and IE and every two years in PL.

Many of the Member States: UK, NL, AT, LT, DK, FI, PL, LU, BE, SK, CZ, SE, BG, EE, IE, use a variety of indicators from several sources of data such as: national statistics offices, central and local authorities, economic, social, labour and financial ministries, employment services, pensions agencies, social protection and welfare agencies. Monitoring is done as based on *economic indicators* (GDP growth, inflation rate, and wages), *indicators related to the labour market* (employment, unemployment, vacancies, take up of unemployment benefits, short-term work programmes), *indicators related to social assistance* such as number of beneficiaries of: minimum income, disability benefits, family benefits. Some countries also look at *poverty and social inclusion indicators*, namely at-risk-of-poverty threshold and rate, at risk-of poverty anchored at a fixed moment in time, child poverty, the Gini coefficient, poverty rate among the elderly and other vulnerable groups.

HU does not have in place monitoring tools, and has no concrete plans to implement such a mechanism in the near future.

The impact of measures taken in response to the crisis is evaluated in a few countries, namely SK, CZ, AT, NL, LT, RO, CZ, BG, PT, IE and the UK. Most of them assess the social impacts of their respective policy proposals such as the effects of reduction of set of social benefits in CZ, IE and PT. NL looks specifically at the effects of fiscal consolidation measures on disposable incomes. One country – the UK looks also at the public perceptions about their proposed reforms. These evaluations are mainly done by government bodies.

Box 2. Learning from the peer reviews: Developing effective ex-ante social impact assessment

Belgium hosted a peer review in November 2011 to discuss methodology, tools and data sources that is needed to develop effective ex ante social impact assessment. Ex ante social impact assessment (SIA) is a tool and process for estimating the likely future social impacts of policy proposals before they are implemented.

Key lessons identified in the peer review are that when there is great uncertainty about behavioural responses to proposed policy measures, randomised control trials and other pilots can be powerful tools. To be successful, there should be a normative or legal framework for the action, a clear intervention design and time and budget made available to complete the trial and assess the effects. In order to avoid ethical questions randomisation can be done on the basis of other units than the actual test persons (e.g. regions).

To assess the impact of policy proposals on small or very vulnerable groups qualitative and action research (micro-survey, interviews, focus groups) together with administrative data (if available) can be used. The methods used need to be adapted to the specific circumstances of the groups that are the subject of the assessment. To assess direct impacts on common (e.g. income related) outcome indicators micro-simulation models are increasingly used. In the context of target setting in the NRPs, micro-simulation on the basis of administrative data in addition to survey data could open up additional possibilities, as regional and local impacts for relatively small groups can be covered. Quality criteria for stakeholder consultation can be helpful in matching the expectations of the consulter and the consulted. For further information see the [peer review website](#).

The SPC and its Indicators Sub-Group will work further on developing effective ex-ante social impact assessment of policies

2.7 Spending on social protection and social services have been affected by the crisis

In the last year several countries (AT, BG, CY, CZ, DE, FR, HU, LT, NL, SK, PT, RO, UK, EL), implemented fiscal consolidation measures with direct impact on social spending. Different areas of social spending have been affected in different countries, with a few similarities.

With regard to austerity measures, the UK government's approach to the crisis is based on fiscal consolidation. The Welfare Reform Bill will simplify the welfare system and address the rise in spending on benefits and tax credits. Major reforms to the way social protection is organised and administered are underway, which aim to improve work incentives and provide more tailored support to help people back into work.

Consolidation measures affected social spending on families and children in NL, LT, EL, FR and RO. In FR, the regular family benefit increase has been postponed from the 1st of January 2012 to the 1st of April 2012, while in 2012, this increase will be limited to a maximum of 1%. In the area of housing and utility benefits, as part of its budget consolidation package, DE reduced the heating benefit. RO reduced the subsidies from the state budget for heating. In this context, the heating benefit threshold for persons who use thermal energy for house heating has been revised. The heating benefit is granted taking into account the income per family member, which can be up to 786 RON for families and 1082 RON for single persons. The NL and EL have introduced consolidation measures in the areas of housing benefits.

HU is the only MS reporting actions in the area of unemployment benefits. It has shortened the maximum length of such benefit provision by terminating the second tier of the system (the job search benefit) and tightening the conditions and maximum length of the first period (the job search allowance).

SK introduced changes in the system of social contributions as well as measures in the personal income tax system, which include abolishing the tax allowance on supplementary pension insurance, life insurance and special-purpose saving schemes. Changes enforcing the longer-term sustainability of the pension system were introduced in CZ. Elderly allowances were also affected by fiscal consolidation in the NL, while in FR the introduction of the pension reform has been advanced.

In RO there has been no indexation of any social benefits in 2011, while CZ has not increased the level of the minimum wages.

The fiscal adjustment in FR, CZ, HU and NL has affected the area of public health expenditure. In FR, this has been through a tightened control of health expenditures notably through the control of prices of pharmaceuticals. In CZ consolidation measures were introduced in long-term care, sickness benefits and sickness insurance premiums. HU modified the conditions of granting sick pay.

In AT, the budget of the Public Employment Service decreased mainly due to the decrease in the availability of short term work, while investments in sustainable growth and education were increased. Investing in education and training during an economic crisis is challenging, as noted by CY where the programme of Education Reform which has started in 2005, has been challenged by the economic downturn. Efforts are made to implement reforms without significant expenditure growth; however, a decrease in the budget for education is expected for next year. Investment in education is linked to social protection spending. Education is one route through which poverty could be prevented from passing on from one generation to the next. Increased education provides individuals with the tools to fulfil their potential,

and it decreases their unemployment probability. Of importance is of course that there is a strong link between labour market demand and school education, so that the skills that people gain are not out of tune with the demand on the job market.

The Impact of the Crisis and Fiscal Consolidation on Social Services

The current economic and financial situation has clearly highlighted the fundamental role of social services across Europe. In areas such as health care, childcare or care for the elderly, assistance to disabled persons or social housing, these services provide an essential safety net for citizens. However, cuts in social spending in the context of the budget consolidation programmes have a strong impact on the availability of social and health support services to the general public, and particularly to those in need. These cuts coincide with a greater demand for social services at a time when 23.4% of the EU population are at risk of poverty or social exclusion. This can lead to a decrease in the access and quality of social services received by disadvantaged groups. Reports from the European Anti-Poverty Network have called for attention with regards to the downsizing of welfare services, health services, and front social care services in some Member States

2.8 Financing social protection

In the current economic climate, European governments need new sources of revenue. In order to meet these costs, some countries introduced changes in the structure of the financing of the social protection systems (FI, CZ and PT). In FI, taxes on labour have been shifted towards taxes on consumption. CZ has increased the rate of value-added tax in steps in order to generate additional funding for the reform of the pension system, while in PT a gradual transfer of pension funds to the State Social Security System is taking place. The quest for higher revenues in order to curb budget deficits has resulted in increases in indirect taxation in some other Member States (EL and IT). The Increases of VAT in EL has taken the standard rate from 19% to 23%, while the reduced rates from 4.4% to 5.5% and from 9% to 11%. The EL government has announced that there will be an increase in VAT on domestic fuel, which is expected to affect negatively low-income households.

Shifting fiscal burden from labour to consumption has taken place through hikes in excise rates as well as the introduction of base broadening measures. Yet, there is scant evidence that shifting the tax burden from labour to consumption would have a strong revenue-generating effect, while it risks inflicting proportionately larger losses on low-income families as compared to high-income ones. As low-income classes spend a relatively higher proportion of their income on goods on which VAT is levied, an increase in such indirect taxes would hit these low-income groups disproportionately.

Box 3. Distributional impacts of austerity measures

Two recent academic studies based on the Euromod tax-benefit micro-simulation model show the effects of VAT raise on low-income households. Matsaganis and Leventi (2011) show that in Greece, the raise of 4% in standard VAT tax has had strong regressive impact. In spite of the fact that different rates may apply to different expenditure items, the structure of all indirect taxes remains largely proportional. Moreover, as income falls the propensity to consume tends to rise at low incomes (where families spend more than they earn, either by borrowing or by drawing on past savings). As a result, poor households contribute with a significant proportion of the total tax take, which amounts to a very high proportion of their own income. Another study by Callan et al. (2011) shows that in PT, where the standard rate of VAT has been increased up to 2011, has led to a significant reduction in the level of household incomes, with the poorest quintiles of the income distribution being disproportionately affected as compared to the top ones.

Some Member States aimed at increasing the efficiency of social assistance (RO, ES and UK). The UK is looking at ways in which efficiency savings can be made on how social protection is delivered. The Department for Work and Pensions has undertaken extensive restructuring and reorganisation in order to streamline its operations. RO increased the efficiency of its social protection system by centralising social assistance payments to avoid budget fragmentation and reduce the administration costs. It also improved the payment arrangements and the use of public resources in terms of reduction of error, fraud and corruption. In ES, a recently adopted legislative act aims to update, adapt, and modernize the country's Social Security System.

Another source which is being tapped by Member States (FI, HU, FR and EL) to generate additional revenue is the fight against the shadow economy, fraud and tax avoidance. The fight against the shadow economy is expected to increase the tax revenue of governments, while at the same time ensure workers' rights, as well as protect entrepreneurs against unfair competition. Member States' approaches differ, with FI directly combating the shadow economy through allocation of funding to this purpose. The HU government aims to stimulate the legal tax return through the introduction of a new flat-rate personal income-tax (at 16%). Previous experience from countries that had enacted flat taxes shows that they gained revenue as people who had worked in the shadow economy began reporting their income as well as paying taxes. In FR, the fight against social fraud has been up-scaled. EL has increased the inspections for social contribution evasion and made arrangements for settling owed contributions in order to counter such avoidance and fraud.

3. CONCLUSIONS

Against the current unfavourable economic context, the third report from the Social Protection Committee (SPC) on the social consequences of the crisis offers an insight on the impact of the economic recession on the social situation in the EU. It provides a unique analysis on trends affecting the demand for unemployment benefits and social assistance based on original data gathered by the SPC on the number of benefit recipients. This data collection is complemented by a questionnaire on recent policy actions taken by Member States in response to the crisis.

MAIN FINDINGS

1. Close to 2 million more people at risk of poverty or social exclusion in 2010

Most recent data available for the EU 27 on the population at risk of poverty or social exclusion, as defined by the Europe 2020 social inclusion target, show that 115.5 million people living in the EU (23.4% of the EU population) were at risk of poverty or social exclusion in 2010. This represents an increase of close to 2 million compared to 2009, and it is likely that this situation has worsened further in a number of Member States

2. The depth of poverty and social exclusion has worsened

- At-risk of poverty increased significantly only in 2 Member States, it decreased in 4 Member States and it remained stable in 19. Yet, as this indicator is a relative income poverty measure, its dynamics depends on the chosen income poverty threshold, which in turn is influenced by the general level of income and its distribution in the population. Applying different poverty thresholds (40%, 50% of the median income) allows confirming that within the population living below the standard poverty threshold, more people have dropped to the bottom of the income distribution since the beginning of the crisis. The depth of poverty has worsened significantly during the crisis in some countries when comparing 2009 and 2010 data.

• 345 000 more people are living in severe material deprivation (SMD) in 2010 compared to 2009

SMD did not improve in 20 Member States, increased in 3 Member States and decreased in 3 Member States.

• Sharp increase in the number of households with very low work intensity (LWI)

3 million more people were living in households with LWI signalling the danger of their long-term exclusion from the labour market. LWI rose significantly in a number of countries reflecting the deterioration of the labour market situation.

3. Significant segment of those having a job are poor

Work is not enough for lifting oneself out of the risk of poverty for a significant segment of the population as 8.5% of the EU working population in 2010 is considered “working poor”.

4. Increased dependence upon social benefits

While data from the SPC survey show that in the majority of countries the number of unemployment benefit recipients has been going down in 2011, in a number of Member States an increase in social assistance schemes beneficiaries has been registered. The causality of these two phenomena still needs to be studied in details, but it suggests that pressures on social protection systems remain high and there could be shifts from unemployment benefits to social assistance benefits given the adverse economic climate and the low job opportunity in many Member States.

5. Over-indebtedness deepens and threatens access to housing

The crisis reduced the disposable income and impaired the capacity of households to meet their financial obligations and in particular to make timely loan repayments. The SPC collected evidence showing a growing number of debt rescheduling procedures being registered in some Member States next to a very high number of petitions for debt cancellation. This could potentially lead to housing exclusion if measures are not taken. Member States also reported difficulties experienced by households in repaying utility bills in time.

6. National policy responses to the economic crisis

6.1 Continued focus on activation policies

In a majority of countries the fight against poverty and social exclusion continues to be pursued mainly through labour market inclusion and activation policies. Reported measures include better targeting of support to unemployed (long-term unemployed, low-skilled, ethnic minorities, migrants, youth, and women), wages subsidies, short working time arrangements, support for enrolment in vocational training and educational programmes to maintain and improve skills, and strengthening public employment services.

6.2 Income support is a preferred option for a great majority of countries

Income support measures are widely used to contain in-work poverty and prevent the fall into poverty of those losing their unemployment entitlements. One of the observed trends is to provide short-term income support measures. Reported measures include provision of benefits to low-income pensioners, low income working households, long-term unemployed, persons with disabilities and recipients of social assistance, increase of unemployment benefits for unemployed couples with children, increase in subsidies to welfare institutions, increase benefits for disabled persons and increased benefits to students from low-income families.

A second cluster of measures includes loosening of the eligibility criteria for qualifying for unemployment benefits, the extension of their duration and the enhancement of their adequacy. A third cluster of measures includes focused income

support for households with children to break the poverty transmission cycle between generations as well as measures designed to support children in disadvantaged situations with the view to allow them fulfilling their potential through educational initiatives.

6.3 Pension reforms deepen to guarantee sustainability and adequacy

Eleven Member States reported measures taken recently to address pension sustainability and adequacy. They aim at rising effective retirement age or its advancement against initial plans, equalising the pensionable age for men and women, providing incentives to prolong working lives, tightening the exit to early retirement, increasing contribution rates to pension funds (public or private), revising pension indexation, temporarily freezing of the level of pension benefits. Yet Member States have maintained full indexation for basic, guarantee and minimum pensions to mitigate the risk of poverty and material deprivation for low income and vulnerable older people.

MAIN POLICY MESSAGES

1. Improved resilience of social protection systems is needed to withstand prolonged economic shocks

Social progress and promotion of social protection are among the aims of the EU²². Social protection systems are a growth-enhancing factor. Given the depth of the economic crisis and its duration, the resilience of social protection systems must be improved to enable them to continue providing protection to the entire population. Utmost attention needs to be paid to the quality of fiscal consolidation measures which must be responsive to social needs of all generations and preserve the capacity of social protection to cushion any unequal impact of the crisis and to satisfactorily withstand economic shocks.

2. Maintaining income support at adequate level is effective in offsetting the worst effects of the crisis and in spurring aggregate demand

Using adequate income support measures can be an effective guarantee against precariousness and social exclusion. The overall effect of these measures impacts positively on household's resilience to falling income and on aggregate demand as it maintains certain propensity to spend among consumers and enables an automatic economic stabilisation.

3. Fighting unemployment is challenged by low job creation and insufficient implementation of active inclusion measures

Both incentives and opportunities are needed to reduce the level of long-term unemployment. A better design and integration of adequate income support,

²² Article 3 of the Treaty on the European Union

inclusive labour markets and access to quality services can substantially improve skills and employability of those outside the labour market. It is of critical importance to combine activation measures and permanent investment in human capital to maintain workers' knowledge and skills.

4. Mitigating inequalities is key to ensure a fair distributional impact of austerity programmes and to restore confidence in the inclusive growth

There is a danger that the direct effects of the crisis, along with the austerity measures taken to address it, could interact with, and worsen, existing inequalities of income and access to services. Social measures embedded in well-designed fiscal consolidation plans which allow for redistributive effects can contribute to the reduction of inequalities by preserving the life-time chances of current and future generations through an intergenerational approach. Social protection transfers and investing in the provision of quality services (such as affordable childcare, education, and other social services of general interest) remain crucial to employability prospects and social mobility of different income groups as they indirectly reduce inequalities.

5. Overall effects of changes in the financing of social protection need very careful analysis

In the quest for more jobs, some Member States envisage shifting the financing of their social protection systems away from labour. This can benefit growth and improve the job creation capacity of the economy. However, there is a need for a broad and careful analysis of the overall impact of this shift on both the financing of social protection systems and their ability to provide adequate benefits given the increased demand for social security and the diversity of social security systems in the EU.

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Annex 1. List of definitions

People living in poverty or social exclusion (Europe 2020 headline target)

The sum of persons who are: at risk of poverty or severely materially deprived or living in households with very low work intensity as a share of the total population.

At-risk-of-poverty rate (after social transfers)

Persons with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income

Severe material deprivation

Persons who cannot afford at least 4 out of the following 9 items: i) to pay rent or utility bills, ii) keep home adequately warm, iii) face unexpected expenses, iv) eat meat, fish or a protein equivalent every second day, v) a week holiday away from home, vi) a car, vii) a washing machine, viii) a colour TV, or ix) a telephone

Persons living in households with very low work intensity

People aged 0-59, living in households, where working-age adults (18-59) work less than 20% of their total work potential during the past year.

At-risk-of-poverty rate anchored at a fixed moment in time

Percentage of people aged 0+ living in households with an income below the at-risk-of-poverty threshold calculated in 2005 (income reference year 2004), up-rated by inflation over subsequent years

In-work poverty risk

Percentage of individuals who are classified as employed, according to the definition of most frequent activity status and who are living in households with an income below 60% of national median income

Median at-risk-of-poverty gap

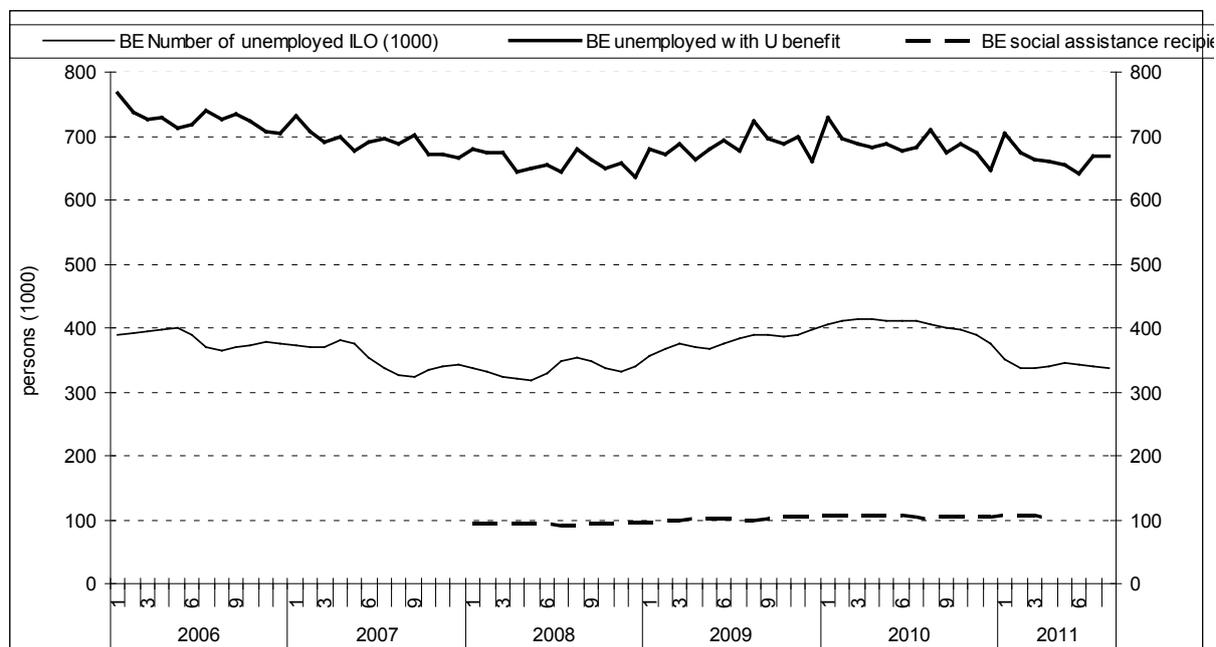
The difference between the median equivalised income of persons aged 0+ living in households with an income below the at-risk-of-poverty threshold and the threshold itself, expressed as a percentage of the at-risk-of-poverty threshold.

S80/S20 Income quintile ratio

Ratio of total income received by the 20% of the country's population with the highest income (top quintile) to that received by the 20% of the country's population with the lowest income (lowest quintile),

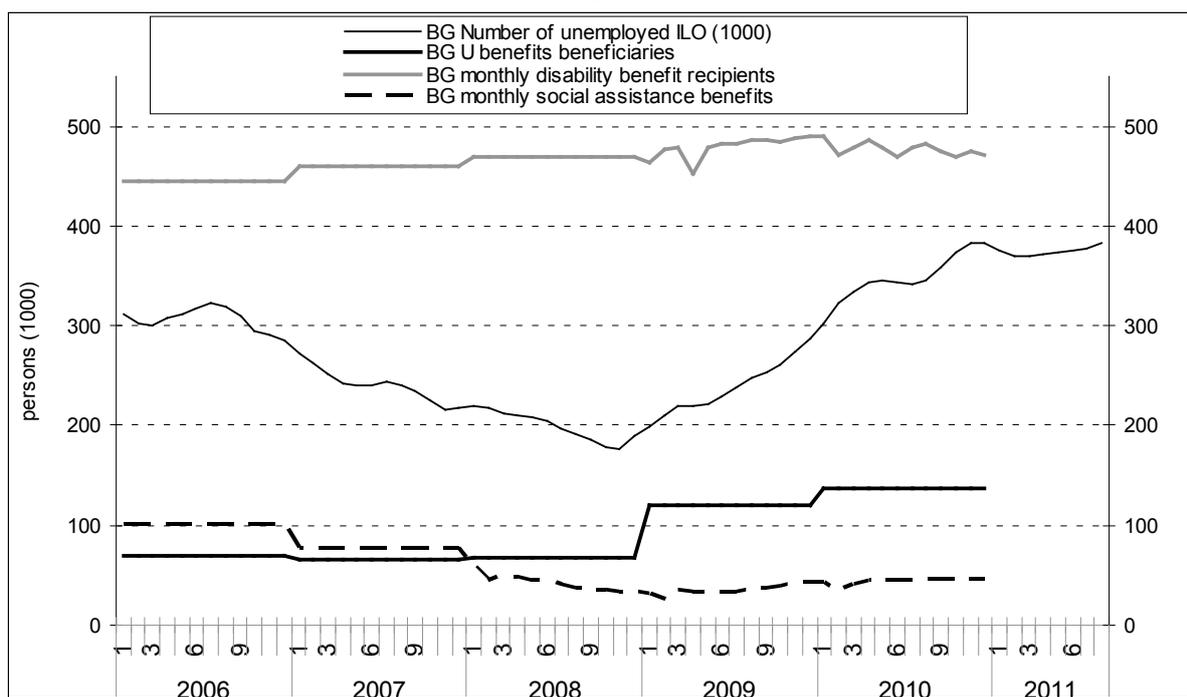
Annex 2. Country annexes on take-up of benefits

Belgium



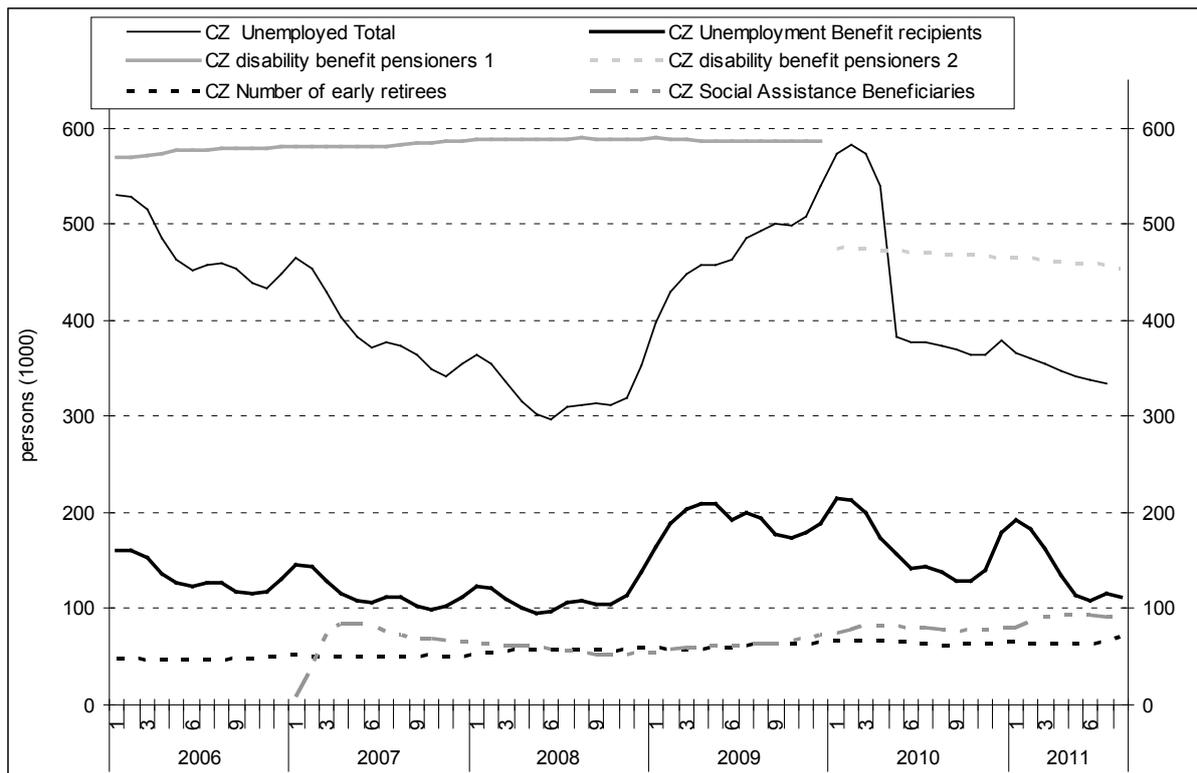
Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Number of full-time unemployed with an unemployment benefit
Unit	number of recipients
Source	Administrative data National Employment Office; FPS Social Security on the basis of the NEO website
link	http://www.rva.be/Frames/frameset.aspx?Path=D_stat/&Items=1&Language=FR
comment	This number is the sum of a number of different administrative categories of unemployed: after full-time employment, after studies, after voluntary part-time employment, different categories of early retirement and unemployed with social or familial difficulties.
Social assistance benefit	
Definition	number of social assistance recipients (right to social integration)
Unit	number of recipients
Source	Federal Public Service for Social Integration
link	http://www.mi-is.be/be-fr/etudes-publications-et-chiffres/le-droit-a-lintegration-sociale-dis

Bulgaria



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Unemployment benefits beneficiaries
Unit	thousands of beneficiaries
Source	National Social Security Institute
comment	The number of the unemployed benefits beneficiaries increased by 13.2% due to the economic crisis and the higher unemployment rate
Social assistance benefit	
Definition	Monthly social assistance benefit recipients
Unit	thousands of recipients
Source	Social Assistance Agency
comment	The number of the monthly social assistance benefit recipients is also increasing, but only with 6.8%. The reasons are the crisis and the growth of the poverty.
Disability benefit	
Definition	Monthly disability benefit recipients
Unit	thousands of recipients
Source	Social Assistance Agency
comment	There is no change in the number of the monthly disability benefits.
Comments	We expect an increase in the number of beneficiaries during 2011 which is in directly dependent on the increase of the unemployment due to the economic crisis.

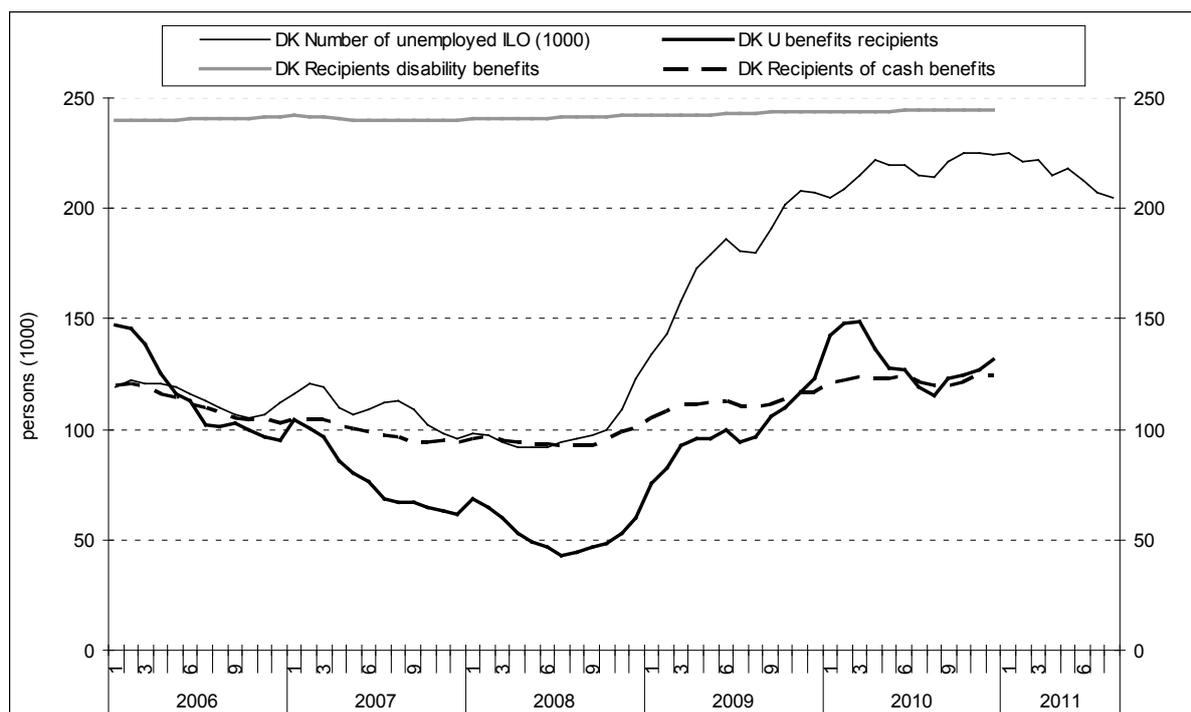
Czech Republic



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Unemployment Benefits recipients
Unit	thousands of recipients
Source	www.mpsv.cz
comment	Unemployment benefits - due to worse economic situation, there was a significant growth of number of unemployment benefits recipients at the end of 2008 (e.g. from the reason of mass laying-off) and during the 1st quarter of 2009. The declines in summer months of the following years were induced mainly by the impact of traditional element – seasonal works. On the other hand, increased numbers at the turn of years have been connected rather with layoffs at the end of the year. Since June 2011, the numbers of beneficiaries have been nearly similar to those ones in before-crisis years.

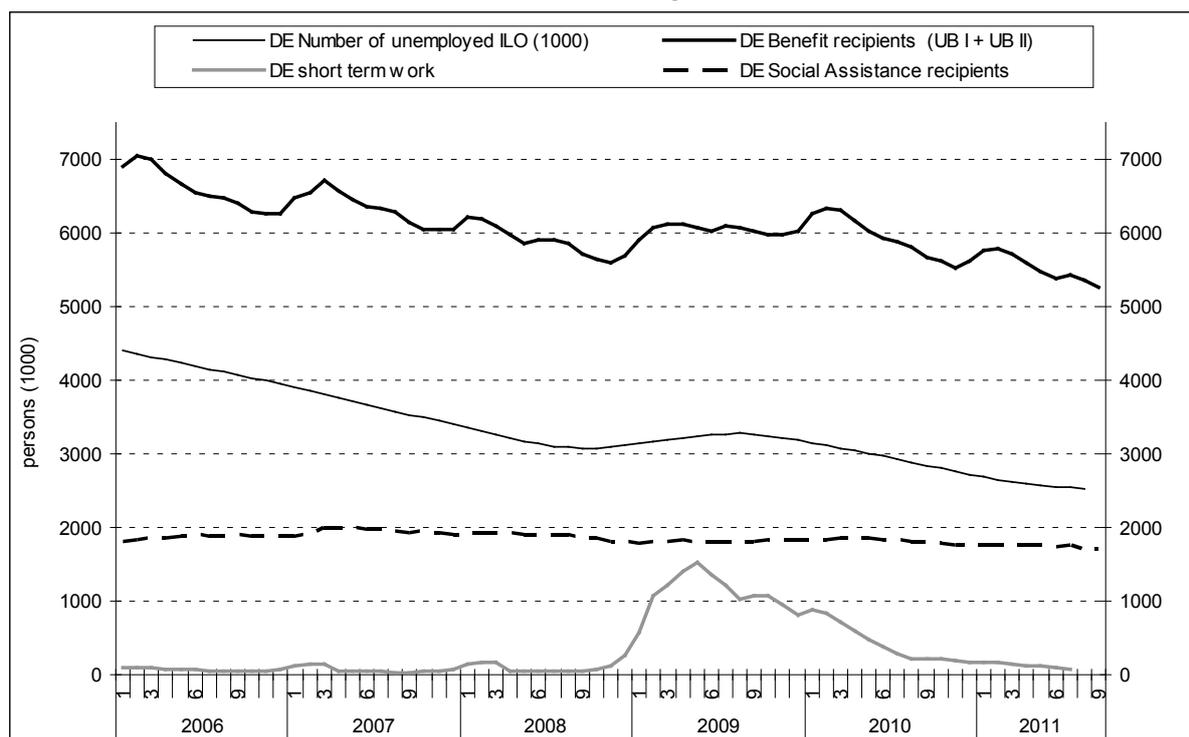
Social assistance benefit	
Definition	Social assistance beneficiaries
Unit	thousands of beneficiaries
Source	MoLSA
comment	<p>After the introduction of the new System of Assistance in Material Need (starting 2007), there was a slight decrease of the number of beneficiaries of assistance in material need benefits (or more precisely of allowance for living) since the 2nd quarter of 2007 mainly due to favourable economic development. The impact of global economic crisis became evident in this statistics since the end of 2008, more intensively during 2009 and the 1st half of 2010. After stagnation in the 2nd half of 2010, there has been another significant increase since this February. It may be explained by legislative changes in the system of State Social Support (the reduction of entitlement to social allowance affected the system of assistance in material need in the form of growth of its number of beneficiaries). The curve for „social assistance beneficiaries“ is in the graph provided only for the period of time 2007-2009 and reflects the development of the number of allowance for living recipients (see the Act No. 111/2006 Coll.,</p> <p>on Assistance in material need,as amended that is in effect from 1/1/2007); till the end of 2006 the system of social assistance benefits was regulated quite differently and because of this fact, there is no reasonable comparability.</p>
Disability benefit	
Definition	Number of pensioners (disability benefits full+partial)
Unit	thousands of pensioners
comment	<p>From the beginning of 2010 the new types of disability were implemented to the social system. Currently three levels of disability are differentiated (1st , 2nd , 3rd) instead of the former two levels (full disability, partial disability). The 3rd level is equal to the full disability while the partial disability was split in the current 1st and 2nd level. From Jan 2010 all receivers of disability pension older then 65 years of age are no more implicated in the number of disability pensioners. They are implicated in the number of old age pensioners. This change is displayed in the drop of number of disability pensioners in January 2010 . According to these changes, new data (starting Jan 2010) are being presented separately</p>

Denmark



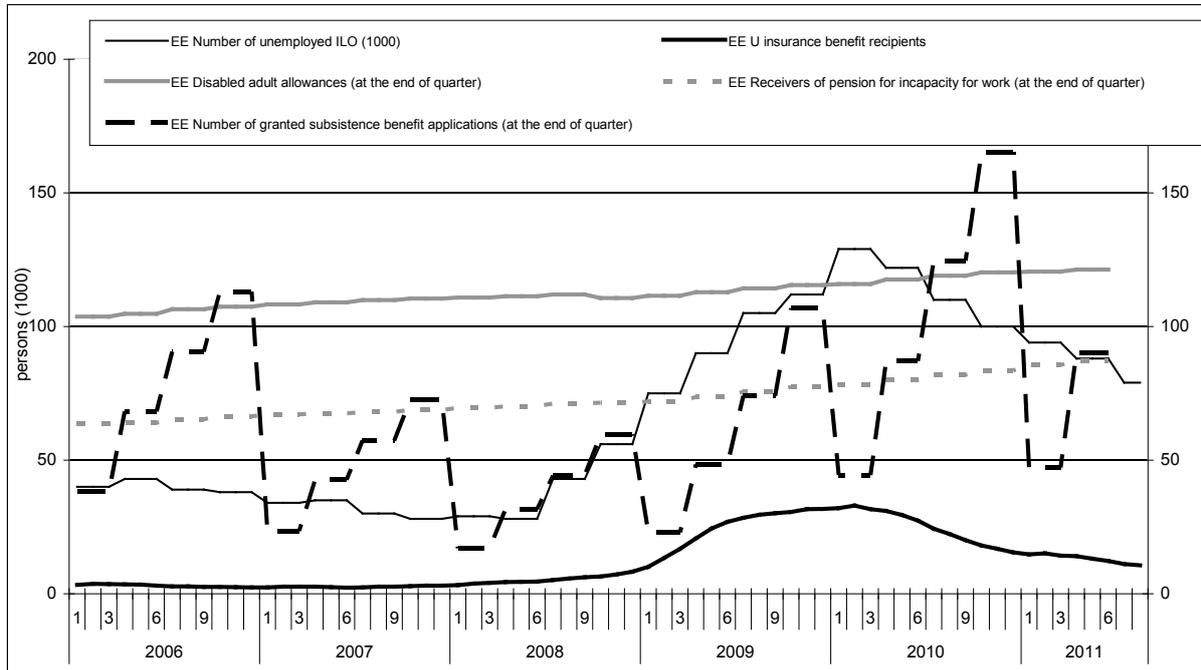
Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	unemployment benefits recipients
Unit	full time persons/recipients (both passive and active recipients)
Source	Jobindsats; A-dagpenge. Antal fuldtidspersoner. Ledighed og aktivering (bruttoledighed)
link	http://www.jobindsats.dk/sw167.asp
Social assistance benefit	
Definition	numbers of recipients of cash benefits
Unit	both passive and active recipients
Source	http://www.jobindsats.dk/sw9990.asp
Disability benefit	
Definition	Recipients of disability benefits
Unit	in thousands

Germany



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Benefit recipients (UB I + UB II)
Unit	thousands of recipients
Source	Bundesagentur für Arbeit (Federal Employment Agency)
link	http://statistik.arbeitsagentur.de/nn_10262/Statischer-Content/Arbeitsmarktberichte/Monatsbericht-Arbeits-Ausbildungsmarkt-Deutschland/Monatsberichte/Monatsberichte.html
comment	unemployment benefit recipients I (below 12 or 18 months depending the age of the unemployed); unemployment benefit recipients II (beneficiaries able to work and their family members in the household)
Social assistance benefit	
Definition	Social Assistance recipients
Unit	thousands of recipients
Source	Source: Bundesagentur für Arbeit (Federal Employment Agency)
link	262/Statischer-Content/Arbeitsmarktberichte/Monatsbericht-Arbeits-Ausbildungsmarkt-Deutschland/Monatsberichte/Monatsberichte.html
Disability benefit	
Definition	new disability pension recipients
Unit	thousand of recipients (annual figures)
Source	Deutsche Rentenversicherung Bund (German statutory pension insurance scheme)

Estonia

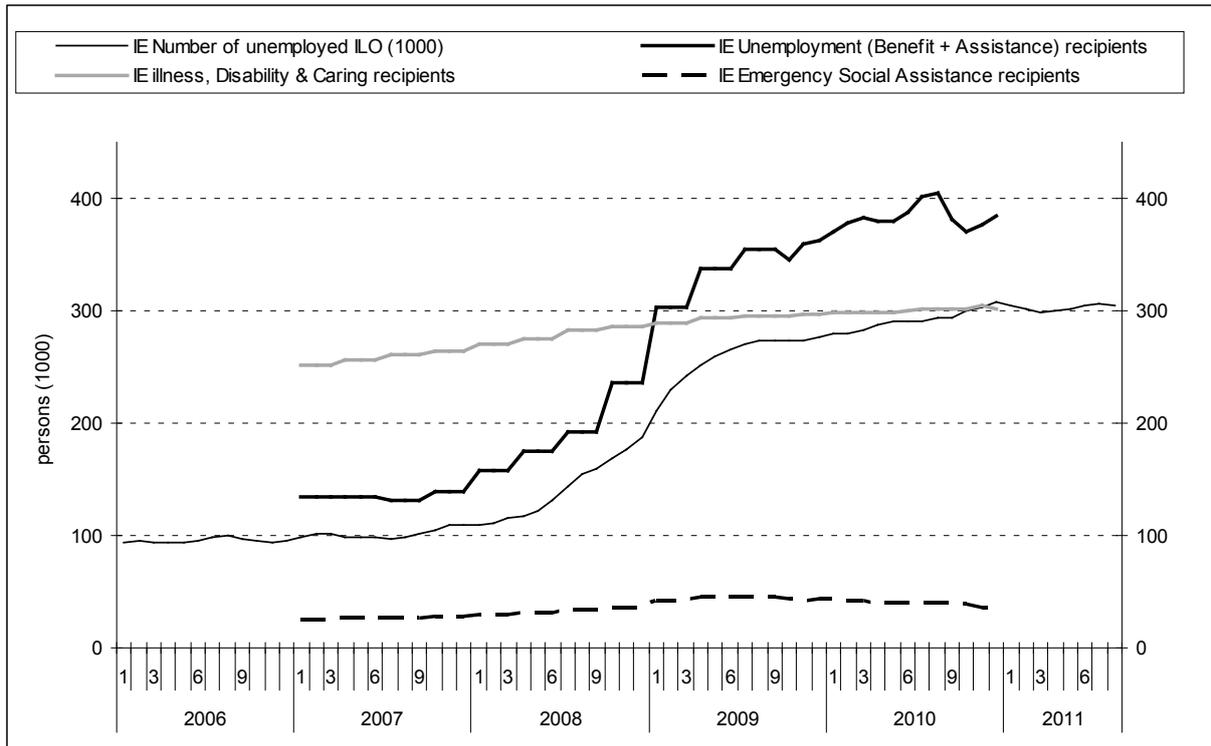


Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Unemployment insurance benefit recipients
Unit	thousands of recipients
Source	Estonian Unemployment Insurance Fund
link	http://www.tootukassa.ee/public/TKH.xls Data is also published in the database of Statistics Estonia (also by county, gender and age) http://pub.stat.ee/px-web.2001/I_Databas/Social_life/15Social_protection/06Social_insurance/08Unemployment_insurance/08Unemployment_insurance.asp
comment	Definition: Unemployment insurance benefit recipients - unemployed persons who received a payment of unemployment insurance benefit during the specified period. The yearly total counts every person single time, no matter how many months a person received a payment. Unemployment insurance is a type of compulsory insurance, unemployment insurance is financed from unemployment insurance premiums paid by the insured persons (employees) and the employers. The unemployment insurance benefit is paid to unemployed persons whose unemployment insurance period in the three preceding years is at least 12 months and whose last relationship did not end on their own initiative or mutual agreement.

Social assistance benefit	
Definition	Subsistence benefit (to maintain subsistence level) receivers
Unit	Number of granted applications (thousands, cumulative during the year)
Source	Source: Ministry of Social Affairs
comment	<p>These serie is cumulative during the year.</p> <p>Definition: A person living alone or a family whose monthly disposable income, after deduction of the fixed expenses connected with permanent dwelling during the current month, is below the subsistence level has right to receive a subsistence benefit..</p>
Disability benefit	
Definition	Recipients of benefits for disabled persons
Unit	thousands of recipients at the end of quarter
Source	Social Insurance Fund
link	http://www.ensib.ee/social-benefits-for-disabled-persons/
comment	<p>Definition: Disability is the loss of or an abnormality in an anatomical, physiological or mental structure of function of a person, which in conjunction with different relational and environmental restrictions prevents participation in social life on equal bases with others. (2) From 2008 the disabled adult allowance was replaced by disability allowance for a person of working age and disability allowance for a person of retirement age. Therefore the indicator since 2008 includes recipients of three types of benefits: recipients of the allowance for disabled persons of at least 16 years of age, for disabled persons of working age and for disabled persons of retirement age.</p>
incapacity for work	
Definition	Receivers of pension for incapacity for work
Unit	thousands of recipients at the end of quarter
Source	Source: Social Insurance Board
link	http://www.ensib.ee/pension-for-incapacity-for-work/
comment	<p>Definition: The right for the pension for incapacity for work has a person, who is at least 16 years of age and has been declared to be permanently incapable to work, loss of whose working capacity is 40 to 100 per cent and who by the initial date of granting of the pension has acquired the following pensionable service or accumulation period in Estonia.</p>

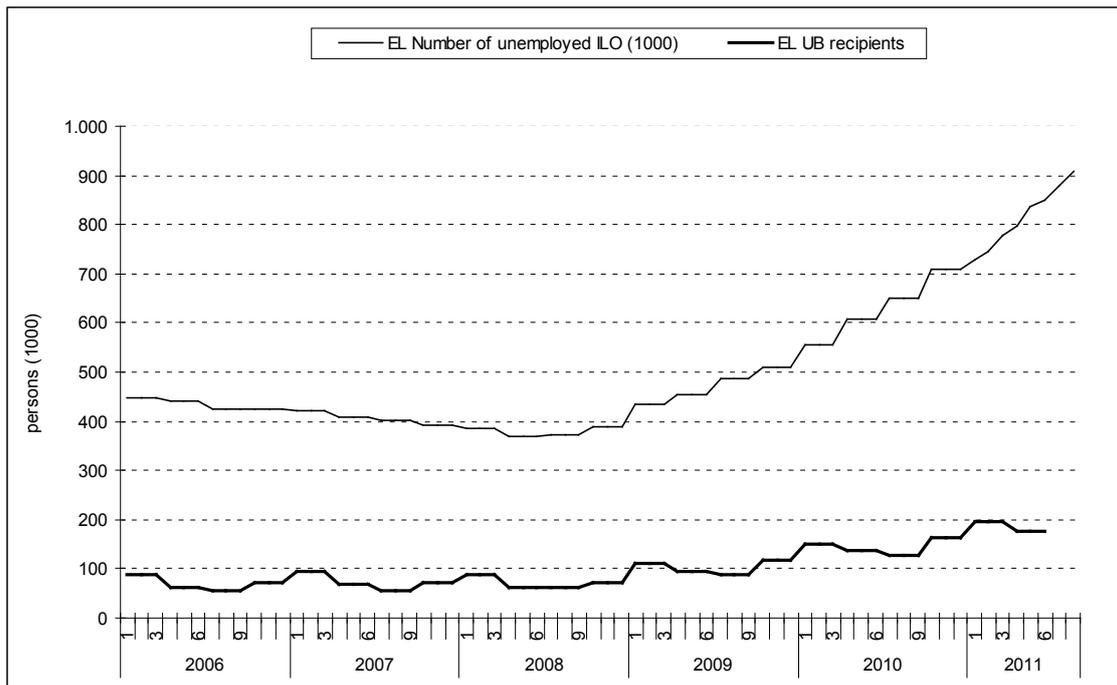
Comments	<p>In 2009, the rapid growth in the number of recipients of the unemployment insurance benefit can be associated with the fast increase in the number of the registered unemployed. The effect of the economic crisis on the labour market of Estonia has been very strong in 2009 and in the beginning of 2010. In two years, the number of registered unemployed persons increased by over five times, reaching the maximum level in March 2010. In 2009, the unemployment insurance benefit was paid over to 57 thousand persons, which is 3.7 times more than in 2008. In the same period, the proportion of new persons receiving unemployment insurance benefits among new registered unemployed persons increased from 33% to 45%. Until the first half of 2010, the number of persons receiving unemployment benefits increased. In the second half of 2010, the number of persons receiving unemployment benefits started to decrease and this trend has been continued during the first half of 2011 (from January to August the number of unemployment benefit receivers has been decreased by 28%).</p> <p style="text-align: right;">2009–2010”http://www.sm</p> <p>Source: Unemployment Insurance Fond; Ministry of Social Affairs “Employment and working life in Estonia 2009–2010”http://www.sm.ee/fileadmin/meedia/Dokumendid/V2ljaanded/Toimetised/2010/series_20109eng.pdf</p>
	<p>The number of recipients of subsistence benefit continuously decreased until 2008 (because of the general wage increase, introduction of unemployment insurance benefit, increased employment rate, decrease of unemployed persons). From the end of 2008, the number of recipients of subsistence benefit started to increase as a result of the rapid increase in the number of unemployed persons. In 2009, the total number of satisfied applications for subsistence benefit were 1.8 times more than in 2008. The growth has been continued in 2010 and in the first half of 2011. The main changes in the number of benefit recipients were caused by the increase in unemployment: among the recipients the number of families with at least one unemployed person has been increased. But the increase of the subsistence benefit recipients has slowed down somewhat. It is important to take account that the subsistence benefit level increased since January 2011.</p> <p>Source: Ministry of Social Affairs</p> <p>Note: In April 2010, a new social services and benefit register was introduced. Therefore the data from the 2nd quarter 2010 is not fully comparable with the previous data.</p>
	<p>The number of receivers of the disabled adult allowances has been gradually increasing each year, reaching over 110,000 persons in 2008 and over 115,000 persons in 2009. The growth has continued in 2010, reaching over 120,000 persons and over 121,000 in first quarters of 2011. It is important to take account that in 2008 important changes were made to the system of benefits of the disabled persons. The aim of the changes in the case of disabled persons of working age was to motivate disabled persons to participate in employment and in the case of elderly to ensure better availability of services. The growth of receivers of the disability benefits are mainly caused by demographical changes in the society.</p> <p>Source: Social Insurance Board, Ministry of Social Affairs</p>
	<p>The number of incapacity for work pensioners has also growing trend. At the end of 2009 there were over 77,000 and at the end of the 2010 there were over 83,000 persons receiving the incapacity for work pension. The number of incapacity of work pensioners has increased also during the 1st half of 2011 by reaching over 87,000 persons.</p> <p>Source: Social Insurance Board</p>

Ireland



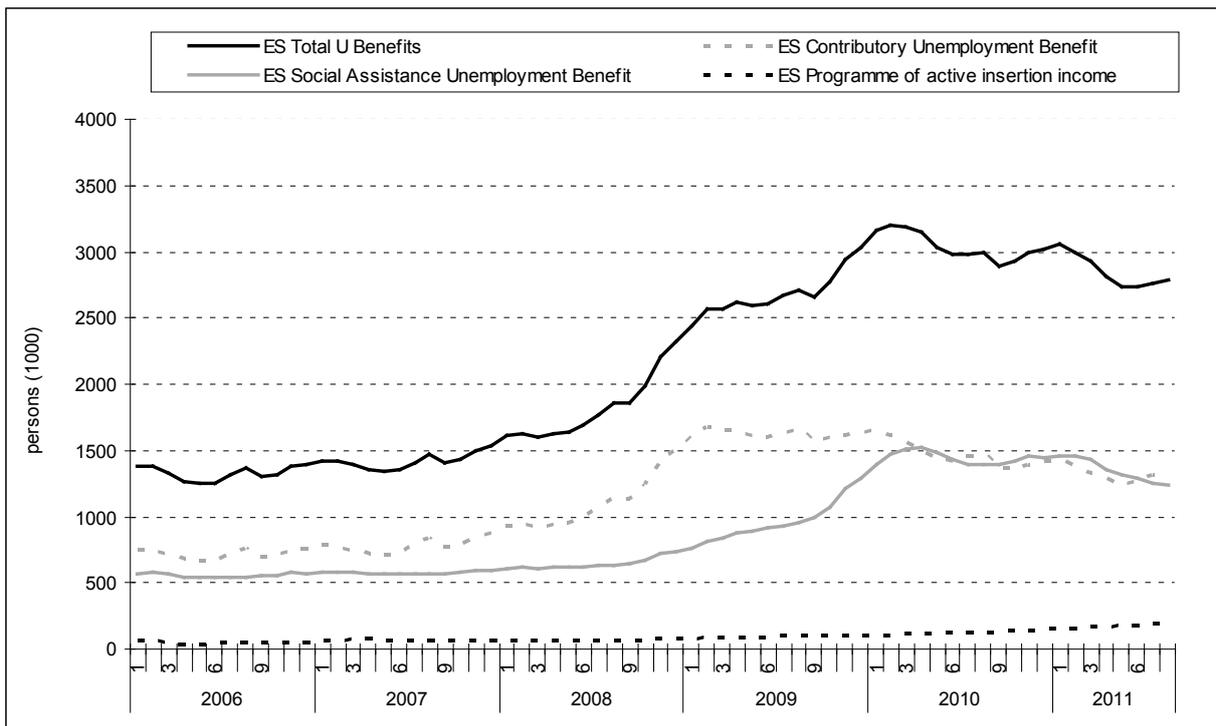
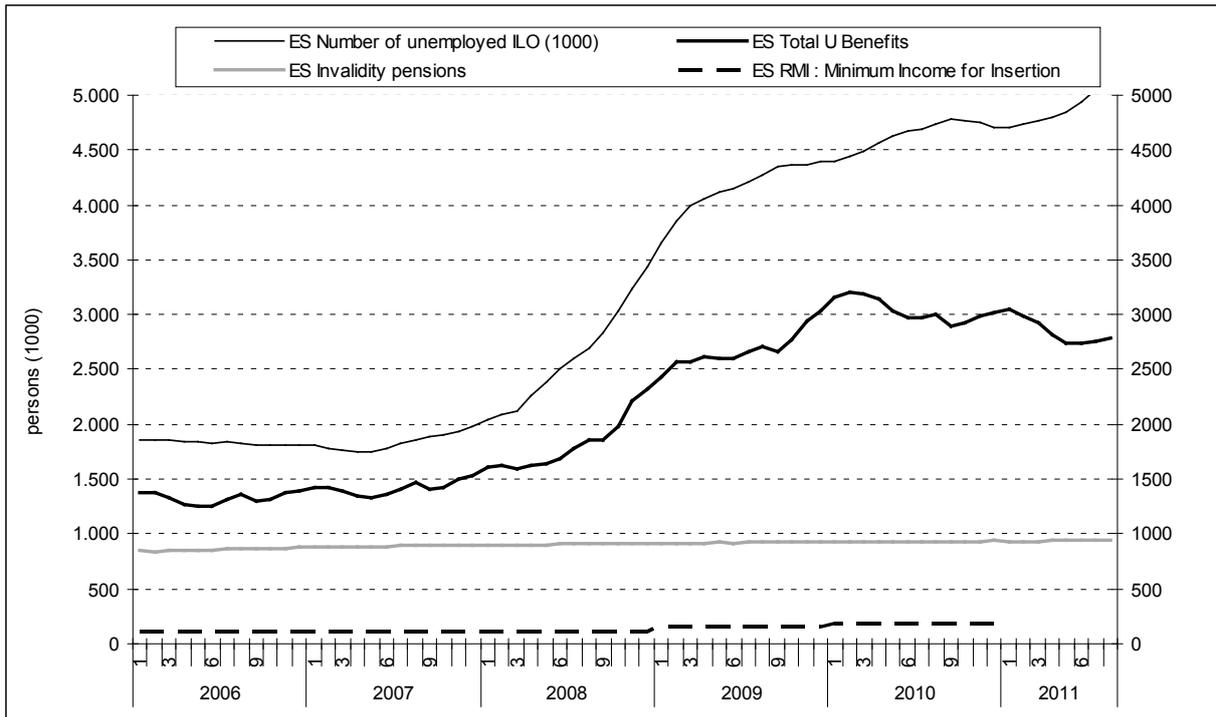
Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Unemployment Benefits recipients
Unit	thousands of recipients
Source	Central Statistics Office; Quarterly National Household Survey
Social assistance benefit	
Definition	Emergency Social Assistance recipients
Unit	thousands of beneficiaries
Source	Social Welfare Quarterly Statistical Reports
Disability benefit	
Definition	Illness, Disability & Caring recipients
Unit	thousands of beneficiaries
Source	Social Welfare Quarterly Statistical Reports

Greece



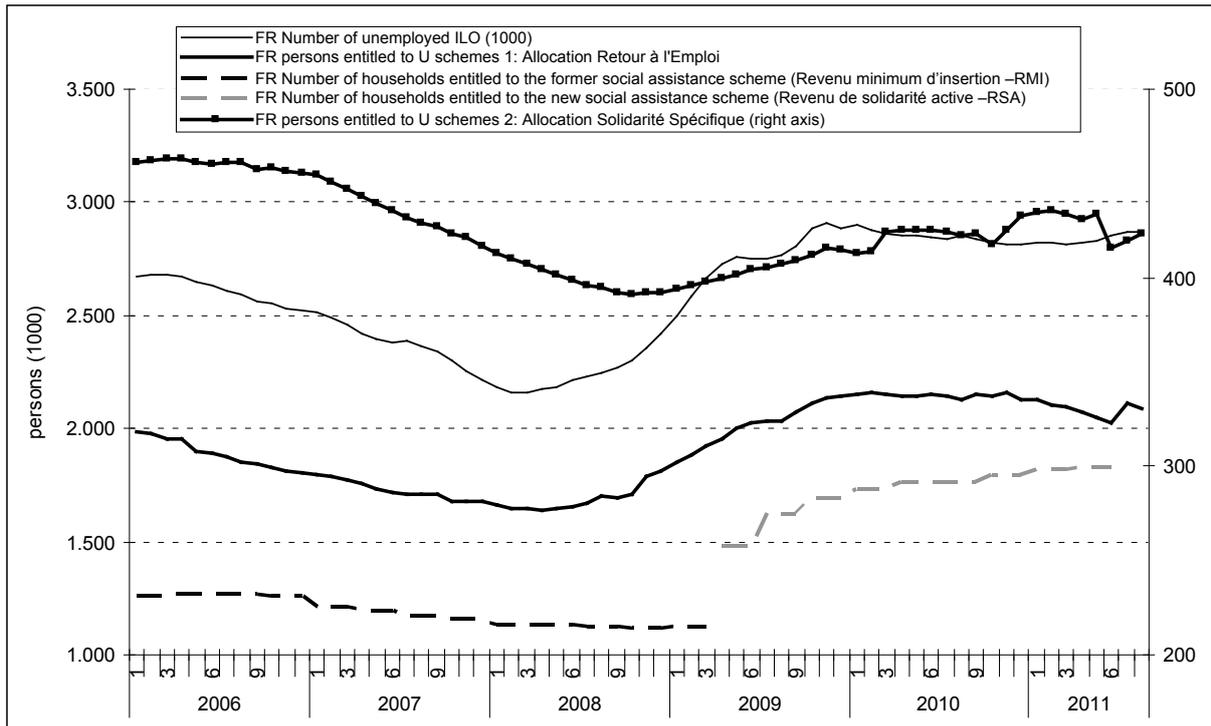
Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Registered at the National Manpower Agency (OAED) receiving an unemployment benefit
Unit	thousands of receivers
Source	National Statistical Service of Greece (NSSG), Labour Force Survey
comment	Note on the unemployed receiving or not an unemployment benefit: In the above data, the unemployed are defined according to the Eurostat definition. Therefore, it should be underlined that the above figures for the registered unemployed (receiving or not an unemployment benefit) are lower enough than the figures of the National Manpower Agency for the registered unemployed, largely due to the fact that only recipients classified as "unemployment" according to the Eurostat definition are taken into account. "
Social assistance benefit	
Definition	No series provided or identified
comment	Concerning the data for social assistance beneficiaries: Regarding the "Social Assistance Benefit" granted to citizens unable to financially cover an emergency in Greece, the administrative data available are only the amounts allocated on a yearly basis. The number of beneficiaries cannot be deduced from that fact, since the amount granted varies depending on the case, with a maximum of € 600.
Disability benefit	
Definition	No series provided or identified
comment	Concerning the data for disability beneficiaries: (a) Disability benefits granted to pensioners In Greece, these benefits are designed to top up the pension benefit of this group of pensioners and (obviously) cannot signal any crisis effects, since they are related to the degree of disability and not to any income, or similar, restrictions. (b) Special programmes run for persons with disabilities. The financial support programmes for PwD are implemented on a non-contributory basis for various categories of disability with differing sums depending on the type of disability. Therefore, we consider that the number of people benefited from these programmes cannot be seen too as indicating any crisis impact.

Spain



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Number of Unemployment Benefits Total (In Thousands)
	1) Contributory Unemployment Benefit 2) Social Assistance Unemployment Benefit 3)
Unit	thousands of recipients
Source	Ministry of Labour and Immigration
link	http://www.mtin.es/estadisticas/bel/PRD/prd1_top_EXCEL.htm
comment	Unemployment Benefits include : 1) contributory unemployment benefit, 2) social assistance unemployment benefit and 3) programme of active insertion income.
Social assistance benefit	
Definition	RMI : Minimum Income for Insertion (holders)
Unit	thousands of beneficiaries
Source	Autonomous Communities
comment	RMI : Minimum Income for Insertion. Within the "minimum income schemes" this benefit called the "Ingreso Mnimo / Renta Mnima de Insercin" is implemented in the 17 Autonomous Communities / regions and in the Autonomous cities of Melilla and Ceuta. There is no national legislation defining it; it is established in each region through an specific law in which different requirements and conditions are defined to obtain the RMI. Its general aim is to alleviate poverty by means of cash benefits for basic living needs, although some other supports are provided such us guidance, training....in order to get the social integration of the holders.
Disability benefit	
Definition	Number of disability pensions
Unit	thousands of beneficiaries
Source	Source: Ministry of Labour and Immigration
link	http://www.mtin.es/estadisticas/bel/PEN/pen1_top_EXCEL.htm
comment	Degrees of disability depends on the anatomic or functional impairments suffered by the workers, provided they reduce or annul their capacity to work: Permanent and partial disability for the usual profession. Permanent and complete disability for the usual profession. Permanent and total disability for any type or working activity. Severe disability.

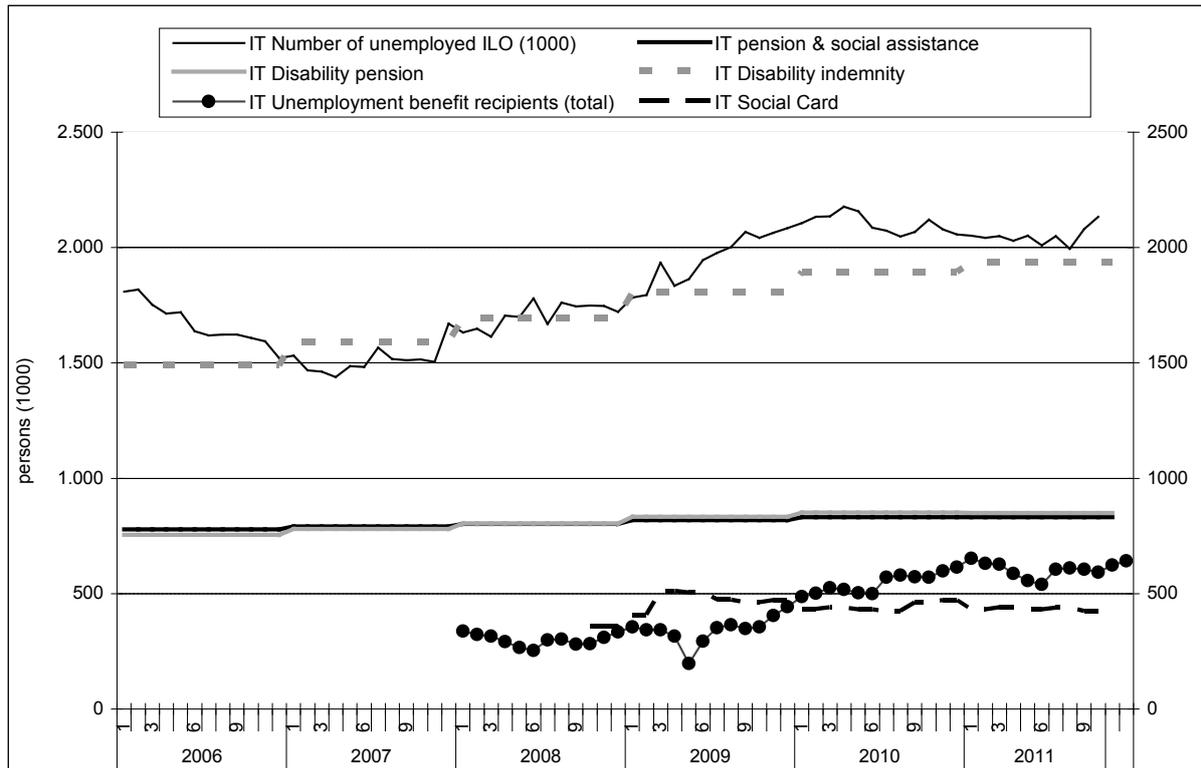
France



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit 1	
Definition	persons entitled to unemployment insurance scheme ARE: (Allocation de Retour à l'Emploi)
Unit	thousands of beneficiaries Seasonally adjusted
Source	Pôle Emploi
link	http://info.assedic.fr/unistatis/
comment	<p>Changes in eligibility rules in january 2006 and april 2009</p> <p>Condition of current eligibility :</p> <p>The job-seeker has to prove 122 days of membership or 610 working hours during</p> <ul style="list-style-type: none"> - 28 month which precede the end of the contract of employment (term of the advance notice) for less than 50 years - 36 month which precede the end of the contract of employment (term of the advance notice) for 50 years and more

Unemployment benefit 2	
Definition	persons entitled to unemployment assistance scheme ASS: (Allocation de Solidarité Spécifique)
Unit	thousands of beneficiaries Seasonally adjusted
Source	Pôle Emploi
link	http://info.assedic.fr/unistatis/
comment	Definition: the "L'allocation de solidarité spécifique (ASS)", established in 1984, is an unemployment benefit addressing the unemployed persons having exhausted their rights for the unemployment insurance, and which prove of at least five years of salaried activity during the last ten years preceding the break of their contract of employment.
Social assistance benefit	
Definition	Households entitled to social assistance Benefit (RSA since Q2/2009)
Unit	thousands of beneficiaries (France métropolitaine)
Source	CNAF
comment	Comments : A new social assistance scheme, revenu de solidarité active (RSA), has been introduced in June 2009. It replaces two former social assistance benefits, the former minimum income scheme (revenu minimum d'insertion, RMI), and the lone parents benefit (allocation de parent isolé, API), and the various in-work benefits which were related to these two social assistance benefits. Notably for these reasons, the data on RMI and the data on RSA are not fully comparable.
Comments:	After a long period of decrease, the unemployment's curve according to the BIT definition and the unemployment benefit reciprocity' curve have been reversing during year 2008. The number of the beneficiaries of an assistance income has continued to decrease until the second half-year 2009. By that time, the previous schemes (revenu minimum d'insertion (RMI) and API) were replaced by the "revenu de solidarité active (RSA)" which continues since its load increase. It is consequently difficult to spot at the present time some trend in the number of the beneficiaries of the assistance.

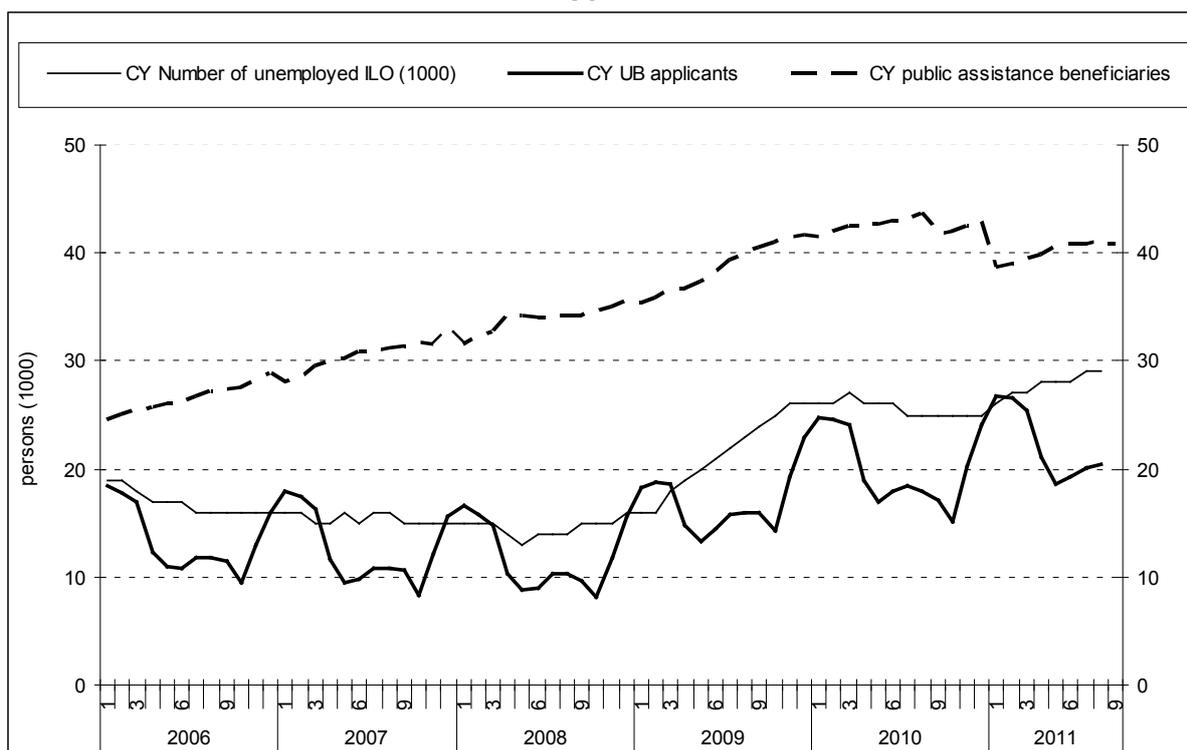
Italy



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Source: eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Unemployment Benefit recipients ; Unemployment assistance recipients
Unit	Thousands of recipients
Source	Inps
link	http://inps.it
comment	(*) Recipients with at least one day in the month of benefit in thousands. Claims for transfer payments can only be made by those who have made employment insurance contributions for an appropriate period. In order to receive benefit a person must be registered with the PES.

Social assistance benefit	
Definition	Social Card
Unit	Thousands of beneficiaries
Source	Labour, Health and Social policy Minister, number of active social cards
link	
Social assistance benefit	
Definition	Social pension and allowance
Unit	thousands of pensions
Source	Source: Inps
link	http://inps.it
Disability benefit	
Definition	disability pension and accompaniment allowance
Unit	thousands of pensions
Source	Source: Inps
link	http://inps.it

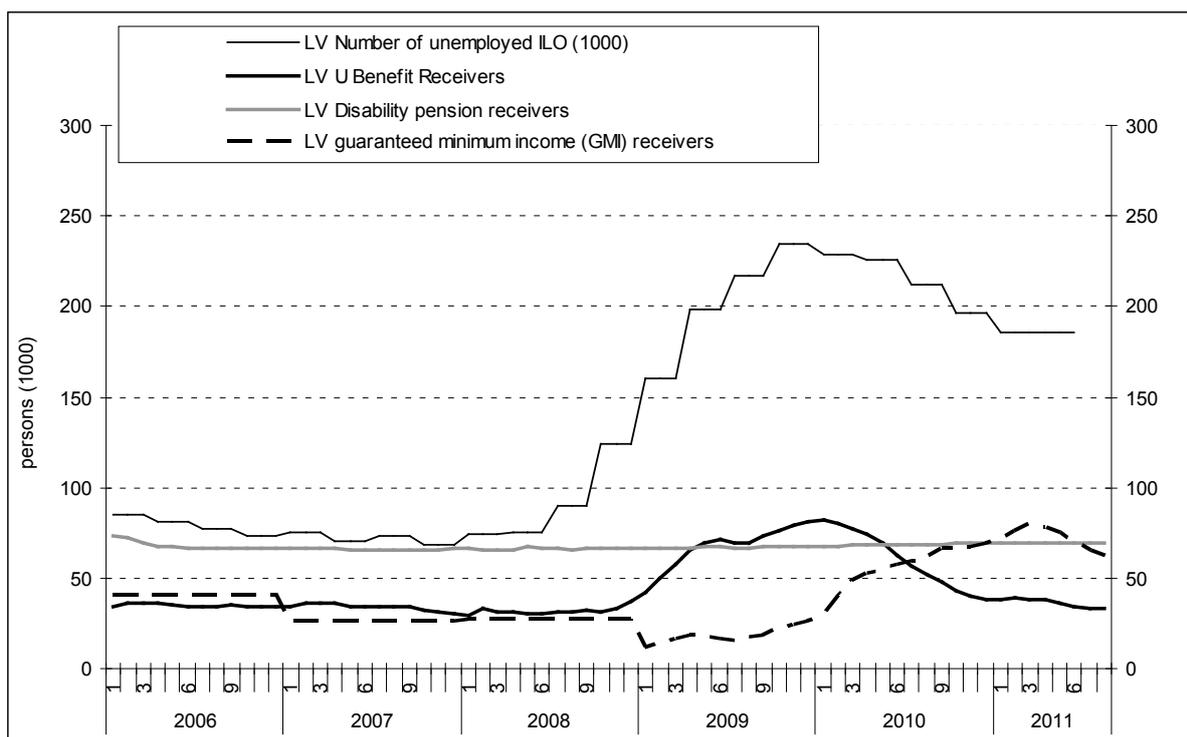
Cyprus



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Number of applicants for unemployment benefit
Unit	thousands of applicants
Source	Social Insurance Services, Ministry of Labour and Social Insurance, Cyprus
comment	CY UB applicants refer to the number of applicants for unemployment benefit from Social Insurance Services. Some of those applicants can be rejected due to the qualifying contribution conditions of the unemployment benefit.
Social assistance benefit	
Definition	Number of public assistance beneficiaries
Unit	thousands of beneficiaries
Source	Social Welfare Services, Ministry of Labour and Social Insurance, Cyprus
comment	With the revised Public Assistance and Services Law [L.95(1)/2006] there have been amendments which financially reinforce public assistance recipients and encourage their integration into the labour market. With the wider application of certain provisions, as well as the introduction of new ones, the new legislation especially favours persons with disabilities and single-parent families.

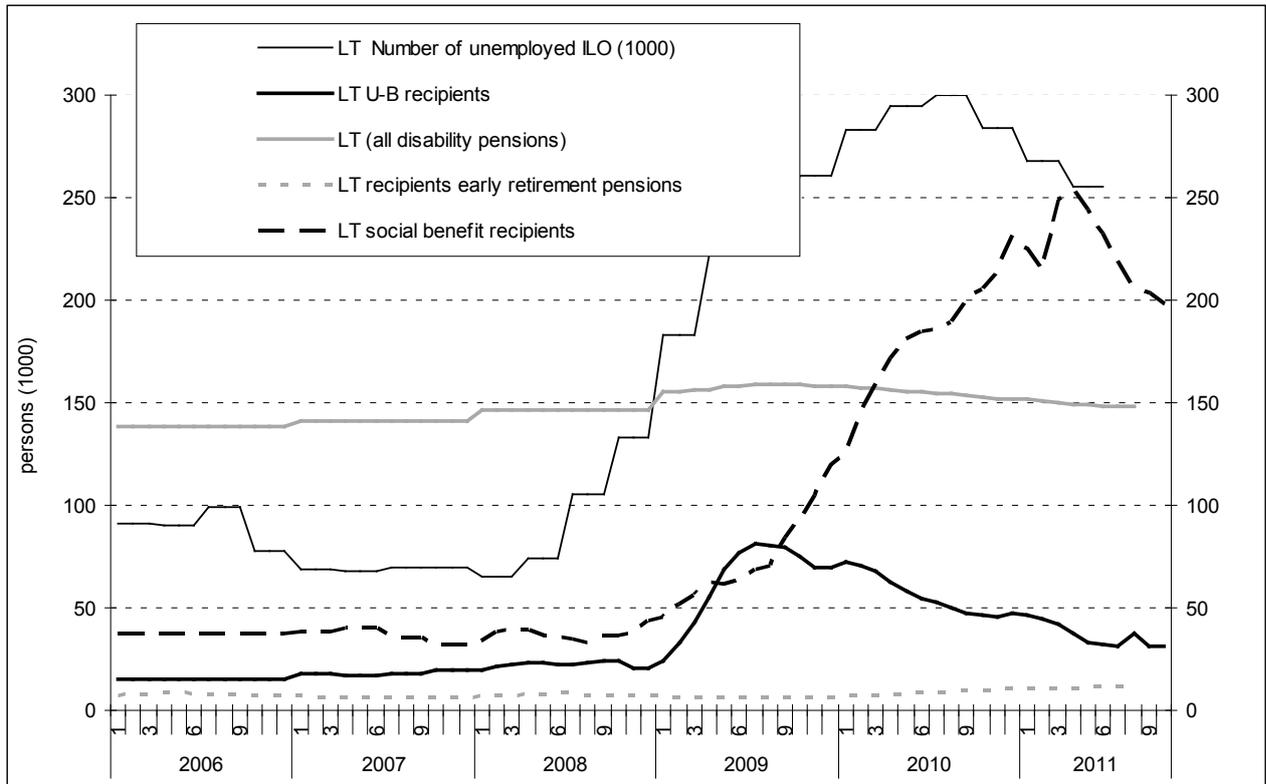
Comments	<p>Unemployment benefit: The unsmoothness of the number of applicants is due to the seasonality effect of the hospitality industry. With the revised Public Assistance and Services Law [L.95(1)/2006] there have been amendments which financially reinforce public assistance recipients and encourage their integration into the labour market. With the wider application of certain provisions, as well as the introduction of new ones, the new legislation especially favours persons with disabilities and single-parent families. Though the number of public assistance beneficiaries increased from 28.906 in 2006 to 42.604 in March 2010, with the main increases observed in the population groups of persons with disabilities, asylum seekers, older persons, lone parent families and unemployed, the increase is mainly attributed to the special provision mentioned above where working single parents and persons with disabilities have extra benefits as work incentives and not to the current economic crisis. It should be mentioned that the cases of public assistance with a nature of distress "unemployment" have been increased over the last years with 311 cases in 2006 reaching the 2,368 in 12/2010 and down to 1.267 in 11/2010.</p>
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Latvia



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	persons receiving unemployment benefit
Unit	thousands of recipients
Source	State Social Insurance Agency
Social assistance benefit	
Definition	persons in household receiving municipal GMI benefit
Unit	thousands of recipients
Source	annual statistical reports from local municipalities
Disability benefit	
Definition	persons receiving disability pension
Unit	thousands of pensioners
Source	State Social Insurance Agency

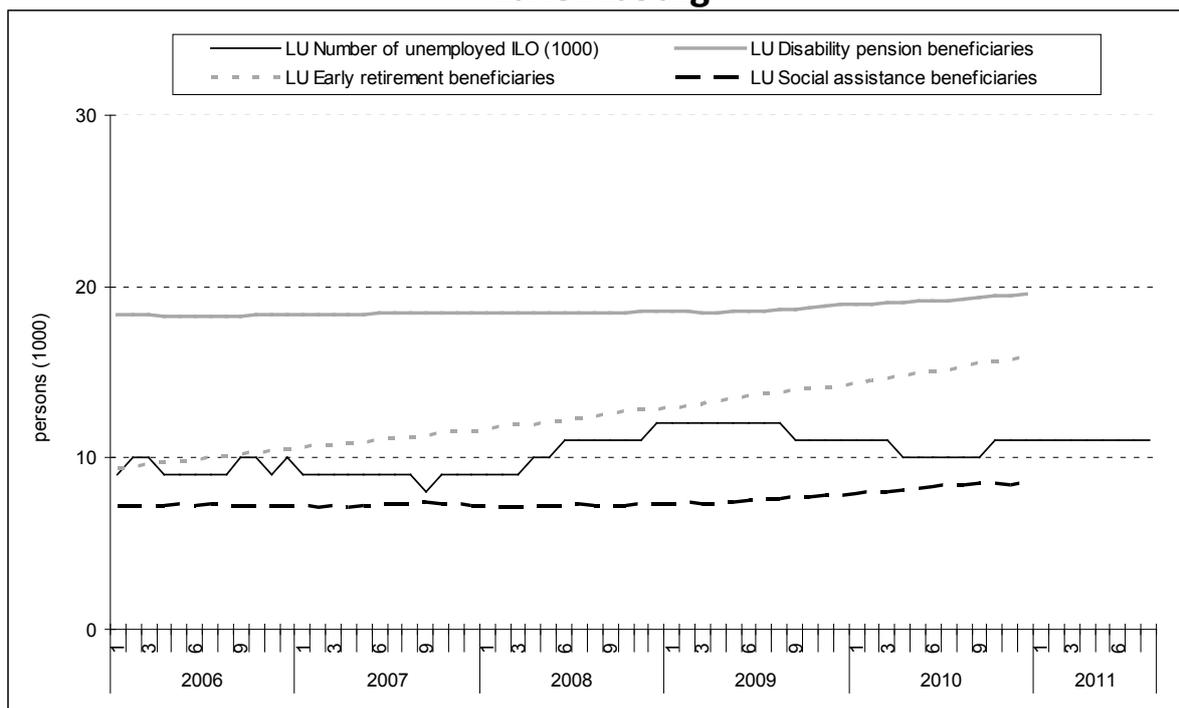
Lithuania



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Source: Eurostat
Unemployment benefit	
Definition	Unemployment benefit recipients
Unit	thousands of recipients
Source	Data source: National Labour Exchange.
comment	The unemployed have possibility to receive unemployment benefit if he has a minimum period of insurance: 18 months within 3 years preceding unemployment. (there are exceptions for certain groups of unemployed people who contributed but have not acquired the necessary social insurance record due to important reasons). The duration of payment of Unemployment Insurance Benefit depends on the length of the insurance record: Service years Duration less than 25 years 6 months ; 25 - 30 years -7 months, 30 - 35 years- 8 months; 35 years and over-9 months. The duration of payment is prolonged for additional 2 months for elderly persons within 5 years till pension age.

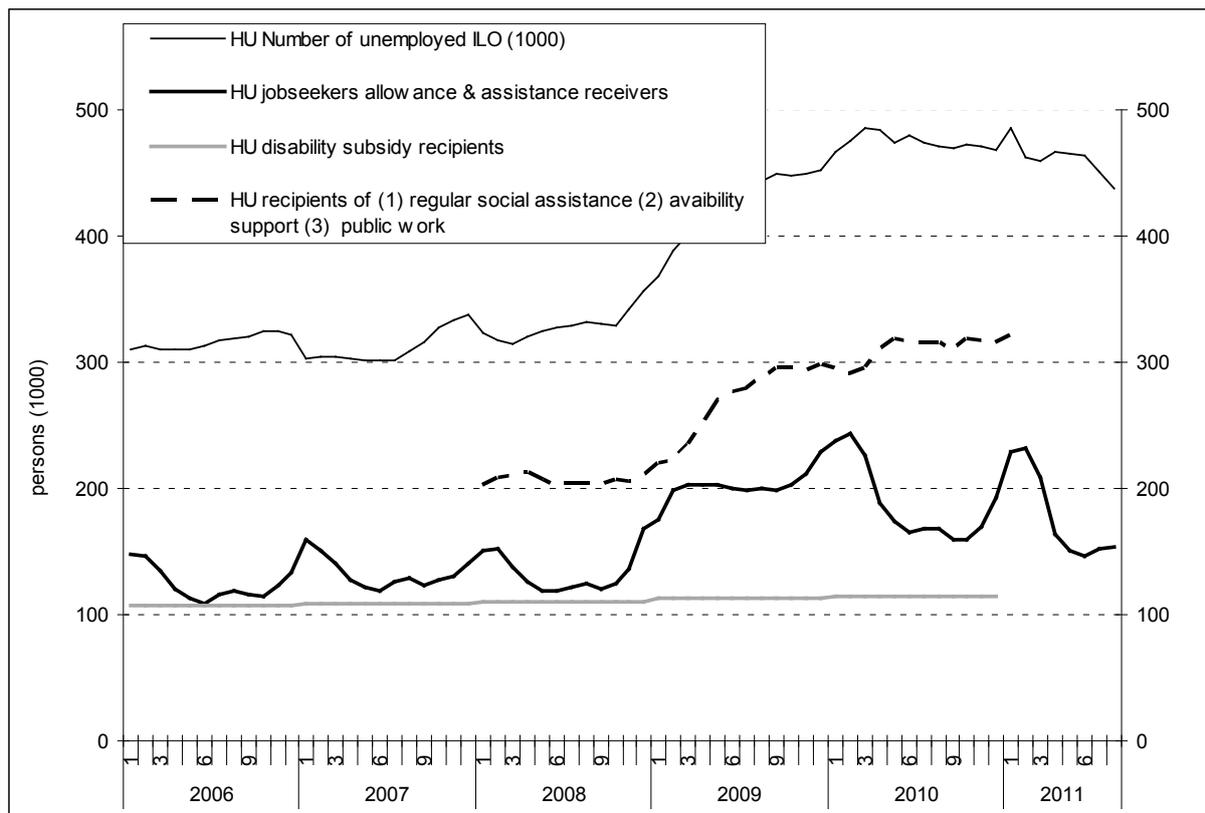
Social assistance benefit	
Definition	number of recipients of social benefit
Unit	thousands of recipients
Source	Ministry of Social Security and Labour, The Social Assistance Information System
comment	Families and single residents are entitled to Social Benefit if either single resident or one spouse works or does not work because they are full-time students or pensioners, or individuals above retirement age, or disabled, or nursing a disabled or sick family member, or registered at the local office as unemployed and receiving Unemployment Benefit or are long-term unemployed (more than 6 months), or taking care of a child under the age of 3 years or under the age of 8 years, or family is raising three or more children, etc.
Disability benefit	
Definition	All disability pensions
Unit	thousands of pensioners
comment	Sum of the 3 following pensions: 1) Periodical compensation of lost capacity of work 2) Disability pension 3) Lost Working Capacity Pension. The reason for lowering number of disability pension recipients are restricted eligibility criteria since May 2009
Early Retirement	
Definition	The number of recipients of early retirement pensions, thousand
Unit	thousands of pensioners
comment	Persons are eligible for early retirement pension if: they acquired an insurance period of 30 years, they are registered as unemployed for at least 12 months, the age is less than 5 years to retirement age, have no other incomes, do not receive any other pension or benefit. The reason of so late reaction of number of recipients of early retirement pensions to crisis is a mandatory requirement to be registered as unemployed over the previous 12 months.

Luxembourg



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	No serie identified
Social assistance benefit	
Definition	Total beneficiaries of "revenu minimum garanti (allocation complémentaire)"
Unit	thousands of beneficiaries
Source	IGSS
Disability benefit	
Definition	Total of disability pesions under the general pension (permanente, transitoire et indemnité attente)
Unit	thousands of beneficiaries
Source	IGSS
comment	up to the age of 65
Early retirement	
Definition	Early retirement beneficiaries
Unit	thousands of beneficiaries
Source	IGSS
comment	Total early retirement pensions in the general pension scheme (pension anticipée à 57 ans, pension anticipée à 60 ans); up to the age of 65

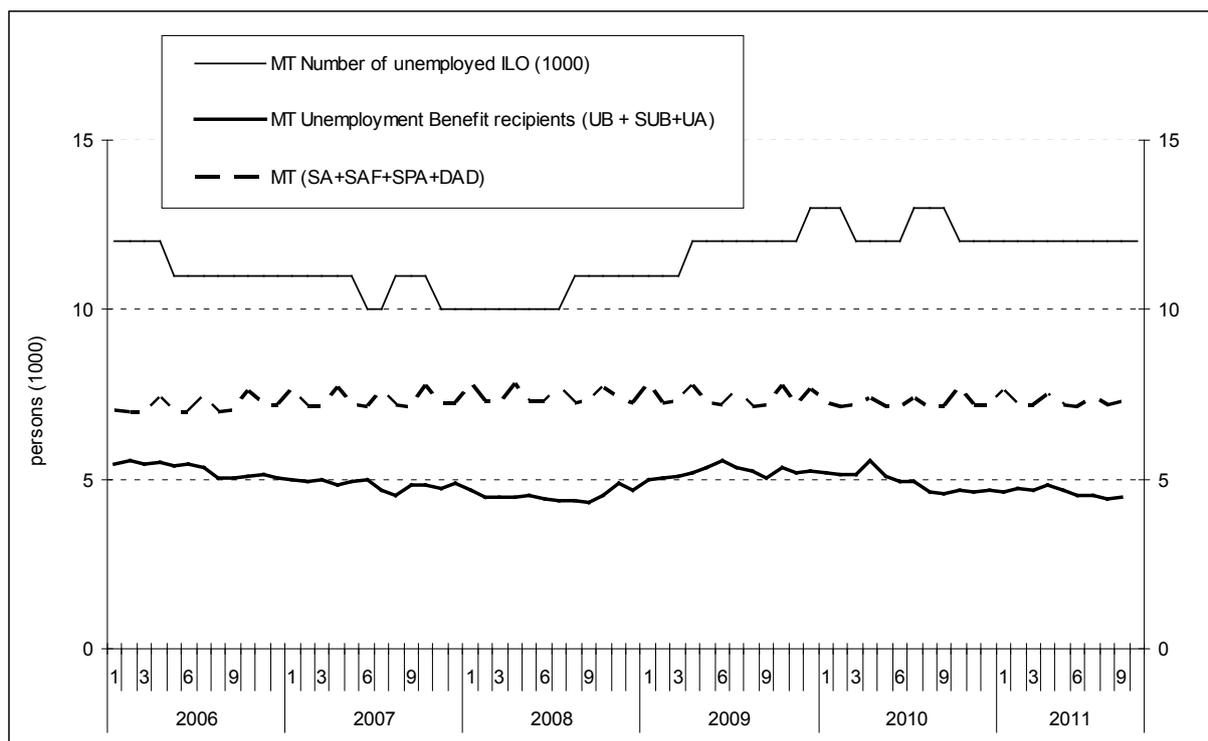
Hungary



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Unemployment benefit
Unit	thousands of recipients at the end of the given month
comment	At the end of 2010 data from 2008 till 2010 about jobseekers' allowance were modified because of the changes in the functioning of the IT system, which revised the number of recipients of unemployment benefit. On the other hand data of 2006, 2007 were also modified because we have found significant differences between this number of HU jobseekers allowance, assistance receivers and number of recipients of jobseekers allowance, assistance (were registered by PES).

Social assistance benefit	
Definition	Recipients of regular social assistance
Unit	thousands of recipients
Source	Hungarian Treasury
	<p>Definition: Regular social assistance is an income supplement provision in the form of cash, provided by the local government of the settlement. Its aim to guarantee a minimal standard of living for those who have no income. From the 1 July 2006 the conditions of the provision and the way of calculation of the amount of support changed. Before that the local government awarded regular social assistance to a person who was over 18 years of age, was of active age, and had lost at least 67 per cent of his or her working ability or received blind persons' benefit, or to a person who was of active age but not in employment, in the case that their subsistence was not provided by other means.</p>
comment	<p>By the new terms for the support is entitled only one person in a family. The assessing of the entitlement and the amount of the assistance based on the income projected to the consumer unit instead of the previous income per capita. The consumer unit is the rate which shows the structure of consumption within a family. The first major member of the family and the disabled child's rate is 1,0 while the ratio of the companion (spouse) and a child is lower (0,9-0,7). The amount of support is variable and supplements the family's effective total income to the limit of the entitlement. The regular social assistance from 1 January 2009 was changed to benefit for active aged which consist of the regular social assistance and the "support for to be ready to work" (from 1st September 2011 employment substituting benefit). The change in the benefit system was built up completely until 31 March 2009. Persons capable of performing work are entitled to employment substituting benefit. Persons who belong to this scope are obliged to cooperate with the Public Employment Service and to take part in public work.</p> <p>The employment substituting benefit is paid, when the person is not involved into public work. The amount of the benefit is fixed, it is equal to the minimum old-age pension. Persons incapable of performing work are entitled to regular social assistance (health impaired, people who are more than 55 years old, as well as persons who bring up a child under 14, and the attendance of the child at an institution providing daily care is not ensured. Furthermore, the competent municipality may set other conditions in its local decree connected to the family circumstances, health or mental status of the claimant, in which case the person entitled to benefit for persons in active age is defined as a person incapable of performing work.). The calculation of regular social assistance is determined on the grounds of the composition and income of the family. Only one person in a family can be eligible to the benefit for persons in active age, except for the case when two claimants are entitled to different cash benefits (one person is entitled to employment substituting benefit, the other to regular social assistance).</p>
Disability benefit	
Definition	Disability subsidy recipients
Unit	thousands of recipients
Source	Hungarian Treasury (www.allamkincstar.gov.hu)
comment	Definition: Financial support for severely disabled persons over the age of 18, who are unable to care for themselves or need permanent assistance from others.
Comments:	The regulation of regular social assistance is altered from 1 January 2009. Due to change of regulation the number of recipients was decreased.

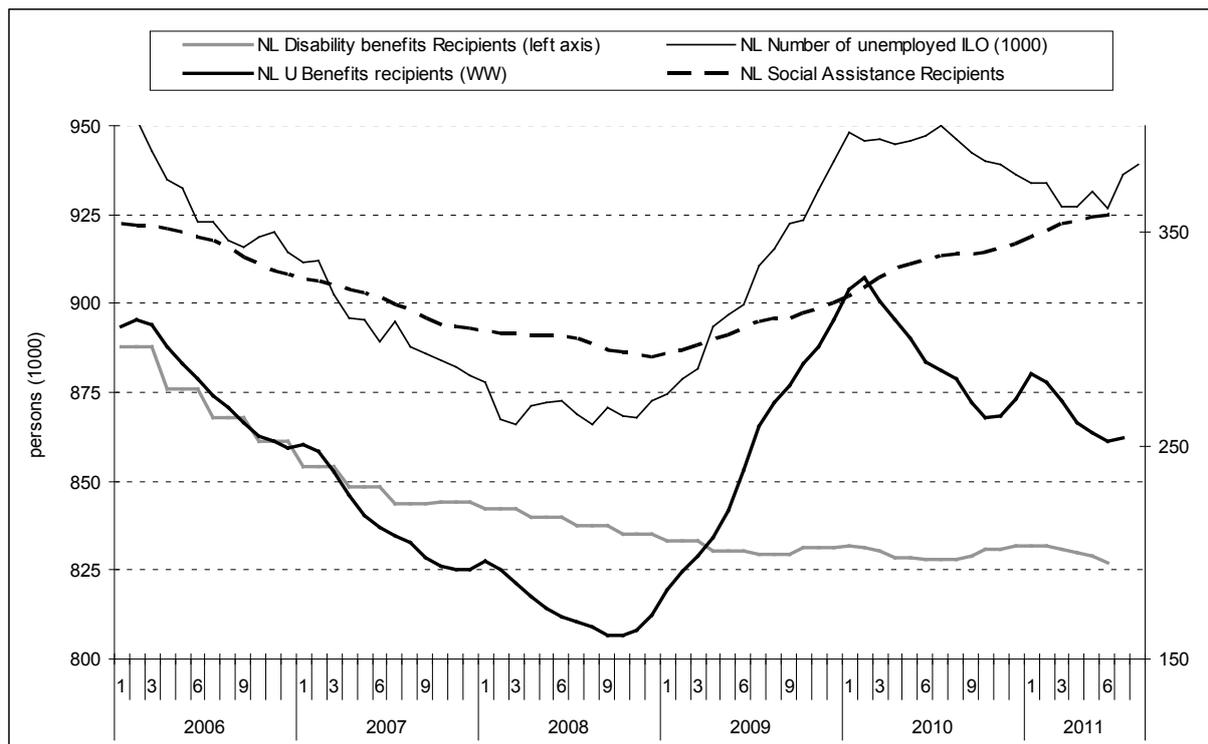
Malta



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	1) Unemployment Benefit - UB; 2) Special Unemployment Benefit - SUB; 3) Unemployment Assistance - UA;
Unit	thousands of recipients
Source	Ministry of Education, Employment and the Family
link	http://www.msp.gov.mt/documents/dss/synopsis_dss.pdf
comment	1) Persons who used to work on a service contract basis (that is, employed) and, therefore, paid contributions, may be entitled to receive Unemployment Benefit provided they are registering for employment under the Part I register kept by the Employment and Training Corporation; 2) Special Unemployment Benefit is paid to an insured person who qualifies for Unemployment Benefit and is head of household, and who also qualifies for Social Assistance; 3) Unemployment Assistance is one branch of social assistance which caters for persons who are unemployed and seeking employment by registering with the Employment and Training Corporation

Social assistance benefit	
Definition	1) Social Assistance - SA; 2) Social Assistance for Females - SAF; 3) Supplementary Allowance - SPA (only low income earners are being considered as related to the crisis); 4) Social Assistance for Drug Addicts - DAD
Unit	thousands of beneficiaries
Source	Ministry of Education, Employment and the Family
link	http://www.msp.gov.mt/documents/dss/synopsis_dss.pdf
comment	1) Head of Households, who are incapable of work due to medical reasons, or are unemployed and seeking employment, given that they fulfil the means and capital resources tests; 2) A single or widowed female, whether registered or not as an unemployed person, and who is taking care of a sick or elderly relative all by herself and on a fulltime basis, may become eligible to Social Assistance for Females; 3) Supplementary Allowance is payable to households where the total income of the members falls below the limits outlined by the Social Security Act from time to time. In this regard, not all Supplementary Allowance beneficiaries are considered related to the crisis but only low income earners; 4) A person following a drug or alcohol rehabilitation therapeutic programme may become eligible to receive an allowance.
Disability benefit	
Definition	1) Disability Pension - SHP; 2) Pension for the visually impaired - BLD; 3) Disablement Pension - DP; 4) Invalidity Pension - IP
Unit	thousands of beneficiaries
Source	Ministry of Education, Employment and the Family
link	http://www.msp.gov.mt/documents/dss/synopsis_dss.pdf
comment	1) Payable to citizens of Malta over 16 years of age. Various types of disabilities are listed under the Social Security Act. 2) Payable to a citizen of Malta over 14 years of age whose visual activity has been certified by an ophthalmologist to be so low so as to render such persons unable to perform any work for which eyesight is essential. 3) Payable if injury or disease caused or contracted whilst at work is considered to cause a loss of physical or mental faculty calculated between 20% & 89%. Rates awarded according to degree of Disability. Where the degree of disablement is assessed at 90% and over, the person concerned is automatically awarded an Invalidity Pension at the full rate. 4) Payable to persons deemed permanently incapable for suitable full-time or regular part-time employment. Various rates according to different conditions.
Comments:	Due to the stability of the Maltese banking system, the financial crisis did not affect Malta in the same manner and with the same dynamics as was the case in other countries. However, the effects of economic crisis and decline in the global demand have affected Malta's exports and main economic industries such as tourism and manufacturing. After registering a 3.0% increase in real GDP in the last quarter of year 2008, Malta registered a drop of 2.7% in real GDP during 2009. During 2010, Malta's economic performance recovered notably and the GDP expanded by 2.7%. The strength of the domestic economic recovery experienced thus far is expected to be partly retrenched with the economic growth projected to be at 2.3% in 2011.
	The data shows that the number of unemployed persons increased as of beginning 2009, following the relatively stable developments in 2008. However, in 2010 and 2011 the number of unemployment related beneficiaries continued to decrease. In 2010 due to the rebound in the economic activity the employment rate increased by 2.2% and a continued declining trend in the number of unemployment related beneficiaries was registered till September 2011. This has not been mirrored by a similar increase in the number of beneficiaries who are relying on Social Assistance (SA) and other related benefits. SA benefits in Malta are means tested and therefore, unemployment does not lead directly to an equal increase in these benefits.

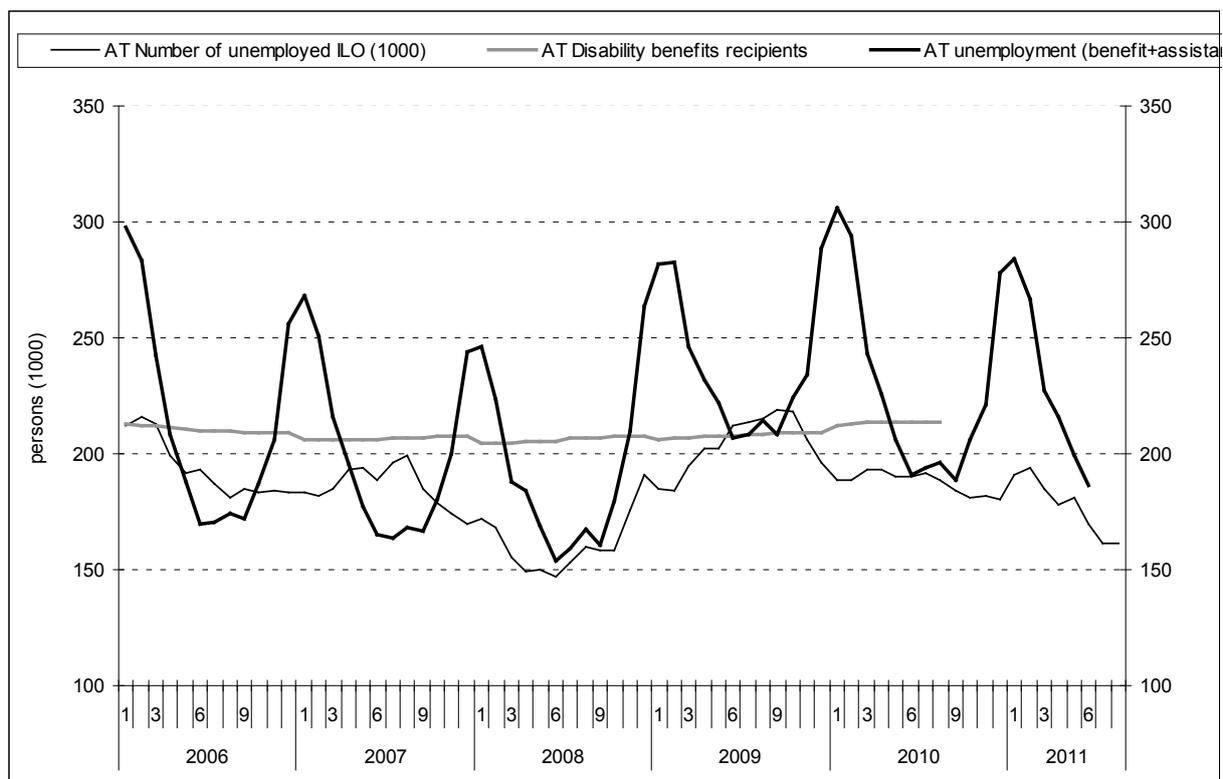
Netherlands



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Source: Eurostat
Unemployment benefit	
Definition	Unemployment Benefit recipients (uitkeringen Werkloosheidswet - WW)
Unit	thousands of recipients, end of month
Source	Institute for Employee Benefit Schemes (<i>Uitvoeringsorganisatie werknemersverzekeringen</i> - http://www.uwv.nl/overuw/kennis-publicaties/statistische-publicaties/index.aspx (publication "Cijfers en trends UWV - ...")
link	
comment	Starting April 2009 the number of WW-recipients includes "deeltijd-WW" recipients.
Social assistance benefit	
Definition	Social assistance recipients, younger than 65 years of age (<i>uitkeringen Wet Werk en Bijstand - WWB, jonger dan 65 jaar</i>)
Unit	thousands of recipients, end of month
Source	Statistics Netherlands (<i>Centraal Bureau voor de Statistiek - CBS</i>)
link	http://statline.cbs.nl/StatWeb/publication/?DM=SLNL&PA=37470ABU&D1=0&D2=0&D3=1&D4=0&D5=104-115,117-128,130-141,143-154&VW=T

Disability benefit	
Definition	Disability benefit recipients (<i>uitkeringen Arbeidsongeschiktheidswetten - AO</i>)
Unit	thousands of recipients, end of month
Source	Institute for Employee Benefit Schemes (<i>Uitvoeringsorganisatie werknemersverzekeringen - UWV</i>)
link	http://www.uwv.nl/overuw/kennis-publicaties/statistische-publicaties/index.aspx
comment	Publication "Cijfers en trends UWV -..."
Comments:	<p>In the period 2006 through to 2008 there was a steady decline in the number of recipients of both unemployment, social assistance and disability benefit recipients. This was not only due to favourable economic developments but also to reforms undertaken in all three schemes since 2004. Even when the crisis affected the Dutch economy, the steady downward trend continued up till the end of 2008. Since then unemployment has started to increase. The response of the labour market to the economic downturn has thus occurred with a time lag, which is a common phenomena. The main reasons for this moderate response are that employers hold on to their employees despite lower production (labour hoarding) and the reduction of the significant flexible shell of self-employed people and workers on temporary contracts. Labour hoarding occurred mainly because employers want to avoid the loss of workers who will be needed after the economic crisis. In addition, delayed effects of the crisis occur because certain projects that had already started before the crisis have a long duration, mainly in the construction sector.</p> <p>The Central Planning Bureau expects that, due to only a small growth in GDP in 2011, unemployment will stabilise until 2012 (4,25 %). In comparison with other OECD countries, the rate of unemployment is relatively low. The number of people on social assistance and disability benefits has also started to increase in the course of 2009 although at a very slow pace. The number of people receiving unemployment benefits reached its peak in February 2010 and start decreasing slowly afterwards. The number of people receiving social assistance is still increasing.</p>

Austria



Recipients of Social Assistance Benefits Quarterly data (changes in % to the year 2008):

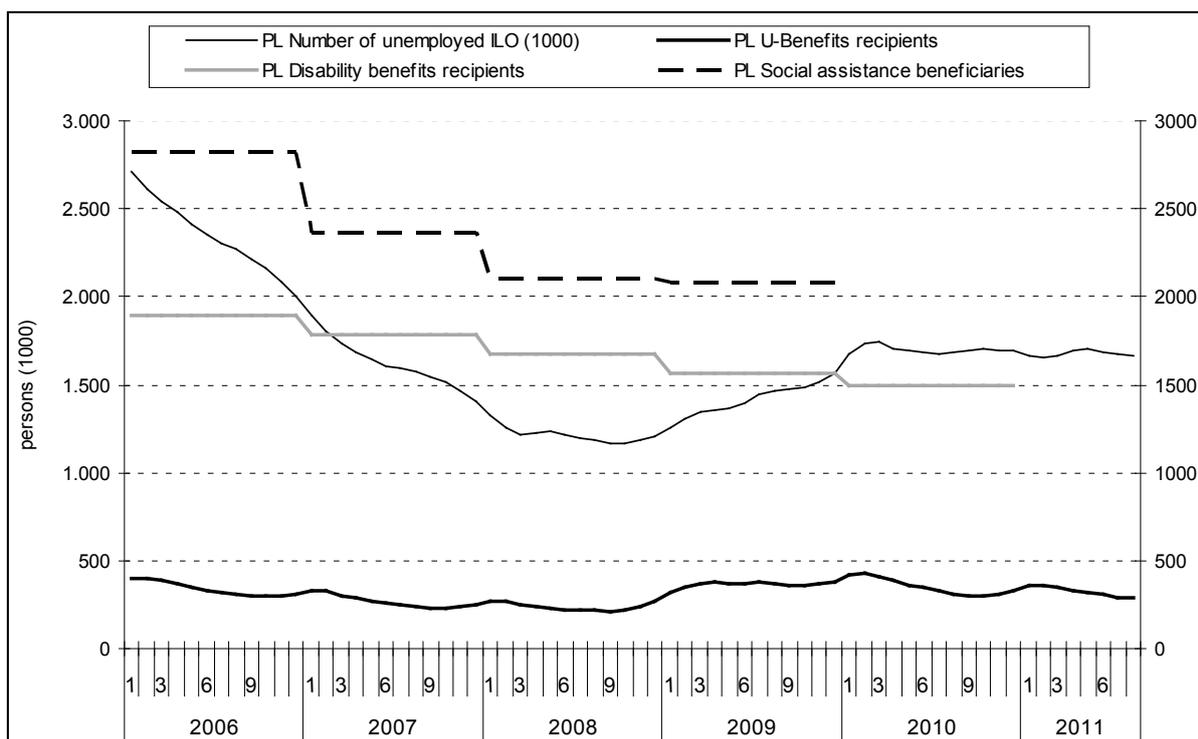
Q1 09	+4.7%	Q1 10	9.8%	-	-
Q2 09	+7.1%	-	-	-	-
Q3 09	+10.6%	Q3 10	11.0%	Q3 11	27.0%¹⁾
Q4 09	+8.7%	-	-	-	-

1) The increase can not only be explained by the impact of the crisis, but is also due to the introduction of the means-tested minimum income scheme, reinforced information policy as well as statistical improvements.

Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat

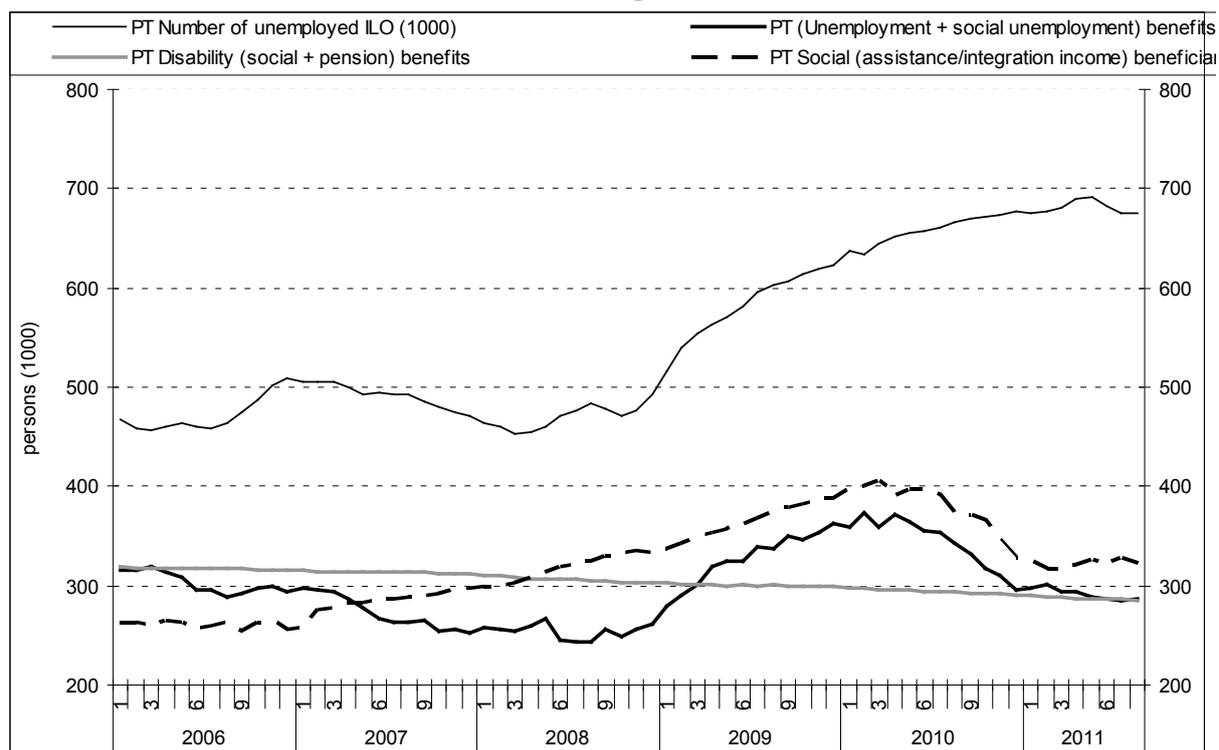
Unemployment benefit	
Definition	Unemployment Benefit recipients ; Unemployment assistance recipients
Unit	thousands of recipients
Source	Public Employment Service Austria (AMS)
comment	An unemployed person is defined as someone without employment who has registered as seeking work with the public employment service (AMS) and is both willing and able to work. Claims for transfer payments can only be made by those who have made employment insurance contributions for an appropriate period. For example, those who have interrupted their working careers for a long period of time (in particular returners) and school leavers receive no unemployment insurance benefit. In order to receive benefit a person must be registered with the AMS. To be entitled to claim unemployment benefit, a person must be able and willing to work, available for work but unemployed and have been in insured employment for the appropriate qualifying period. Unemployment assistance, which is payable on expiry of entitlement to unemployment benefit, combines the principles of social insurance and welfare. Firstly, the rate of the income support is calculated on the basis of the unemployment benefit previously received. Secondly, applicants must be in serious need of financial support, after taking the income of the partner and exemption limits into account.
Social assistance benefit	
Definition	Number of recipients of Social Assistance Benefits
Unit	Quarterly data (changes in % to the previous year)
Source	Social Departments of the Federal Provinces
comment	<p>Definitions: Figures include between six and nine Federal Provinces; the data of the cities with municipal departments is missing in one of them. The provinces register very diverse trends. - Social assistance is defined, implemented and administered by the Federal Provinces (Bundesländer); according to the Austrian Constitution each province has its own Social Assistance Act, but there are some common basic principles: social assistance is granted in individual situations of need if a person's own resources and payments from third parties are not longer sufficient to allow for a decent way of life. Eligibility depends on household resources, other relatives have a duty under family law to provide financial support.</p> <p>All resources are considered in the means and income test (apart from family benefits). In order to realize the objective of combating poverty in all relevant fields of policy, a means-tested minimum income has been introduced as a reform of the social assistance scheme. The federal government and the provincial governments laid down the salient points of a means-tested minimum income which has been subsequently implemented in the corresponding national and provincial legislation. Since the 1st of September 2010 the laws for the means-tested minimum income were introduced in in 7 of 9 federal provinces. The other two provinces have introduced the minimum income scheme until October 2011.</p>
Disability benefit	
Definition	Disability benefit recipients
Unit	thousands of recipients
Source	Source: Federal Ministry of Labour, Social Affairs and Consumer Protection
comment	Figures do not include people who reached statutory retirement age due to comparability reasons; the data until January 2011 represent an estimation, because the calculation of the accurate share of disability pensioners only existed for one month (December).

Poland



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	UB recipients - stock
Unit	thousands of recipients
Source	administrative data, Ministry of Labour and Social Policy
Social assistance benefit	
Definition	Social assistance beneficiaries
Unit	total number of beneficiaries of monetary and non-monetary assistance
Source	GUS, Statistical Yearbook 2002-2010.
Disability benefit	
Definition	Disability benefits Recipients
Unit	total number of beneficiaries of pensions resulting from an inability to work (annual averages), from both non-agricultural social security system and farmers social insurance system
Source	GUS, Statistical Yearbook 2002-2010

Portugal



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Source	Eurostat
Unemployment benefit	
Definition	"Unemployment + social unemployment" beneficiaries
Unit	thousands of recipients /benefits paid
Source	Institute for Informatics and Statistics of Social Security
comment	Entitlement to the unemployment benefit depends on the following conditions: to have been bound by a work-contract or a similar agreement; to be in the situation of a total lack of employment; to be capable of and available for work; to be involuntary unemployed; to be registered as a job seeker with the Employment Centre of their residence area; to fulfil the qualifying period - to have completed, at least 450 days with registered earnings within the 24 months immediately prior to the date of unemployment-, or the qualifying period is reduced to 365 days, between 1st January and 31st December. Unemployment Social Benefit: It is granted in case beneficiaries do not have completed the qualifying period required for unemployment benefit and fulfil the requirements to be entitled to this benefit, in the case to Initial unemployment social benefit (to have completed at least 180 days with registered earnings within the 12 months immediately prior to the date of unemployment) or to have exhausted entitlement periods for unemployment benefit, in the case of unemployment social benefit paid following the unemployment benefit.

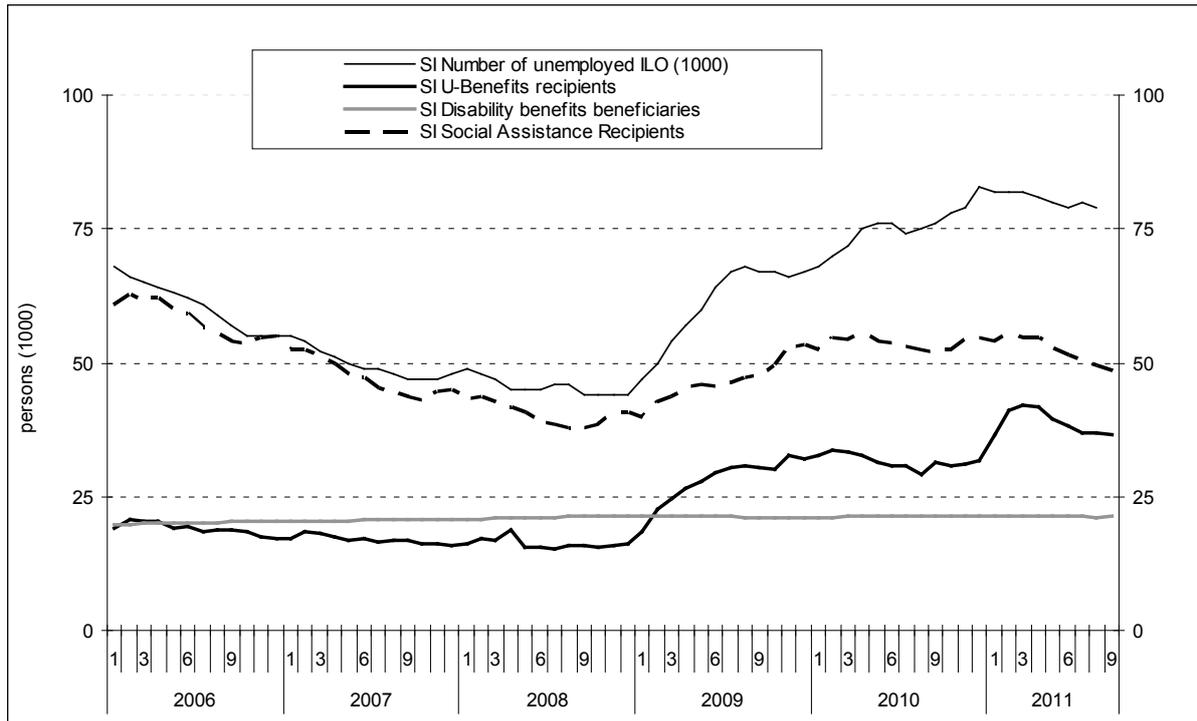
Social assistance benefit	
Definition	"Social assistance / Social Integration Income" beneficiaries
Unit	thousands of recipients
Source	Institute for Informatics and Statistics of Social Security
note	Changes were introduced in the Portuguese Means-Testing Scheme, through Statutory Decree 70/2010 of 16 June 2010, redefining non-contributory social benefits entitlement conditions, namely the social integration benefit. The concept of family household is now similar to the common concept of domestic family household, there is more effectiveness in the calculation of the total income to be considered and a different scale of equivalence for valuing individuals in the household where there are economies of scale.
comment	The benefit paid by Social Security corresponds to a differential between the individual's income and a minimum income threshold taken as the baseline. This minimum income is indexed to IAS, an indexation mechanism for social supports that replaces the national minimum salary as a reference for calculating and adjusting pensions, benefits and contributions. Individuals and families who want to have access to this benefit, have to fulfil a number of conditions: legal place of residency in Portugal; aged 18 or over, availability for employment, occupational training or integration activities; not having earnings of one's own or from the family superior to minimum income established by law.
Disability benefit	
Definition	"Disability pension + Disability social pension"
Unit	thousands of recipients
Source	Institute for Informatics and Statistics of Social Security
comment	Disability or Invalidation pension: is a monthly cash benefit designed to protect the insured persons covered by all the social security schemes against permanent incapacity for work.
Comments:	<p>The Portuguese social protection scheme aims at ensuring the maintenance of the basic rights of individual persons and households by reducing several risks, such as sickness, maternity, occupational accident, occupational sickness, disability, old-age, survival, family expenses, unemployment, housing, death and social exclusion. The social security scheme plays an increasing relevant role, amongst the assorted regimes of social protection, based on its capacity as a system intended to broadly attain across the whole population, covering both the contributory and the non contributory schemes. According to ISG questionnaire, we provide the most recent trends in benefit recipients of this scheme for some of the eventualities: unemployment, disability and social assistance.</p> <p>From 1990 to 2009, the number of disability pensioners registers a severe decrease. However, this decrease is far less accentuated in recent years. This can be explained by the increase in other pension benefits such as old age and a much more restricted and rationalized access to this benefit over the years, at the same time accompanied by new policies intended to promote the integration and rehabilitation of people with disabilities. As at December 2009, the number of pensioners of the general social security scheme was 241,881 thousand (257,361 thousand in 2006), whilst the number of pensioners of social assistance schemes was 56,903 thousand (57.747 thousand at December 2006.), about a fifth of the total of disability benefits.</p> <p>In Portugal the unemployment rate in the past few years has caught up successively with the European average: in 1998 it corresponded to around half that observed, on average, in European Union countries (whether considering 15 or 25 Member States) and in 2006 it equalled the EU(15) average and was still lower than the EU(25) average. In 2007 the unemployment rate in Portugal exceeded both the EU(15) and the EU(25) averages, by 1.0 and 0.8 p.p. respectively and since the first quarter of 2009 has been ahead of the EU27 unemployment rate.</p> <p>In 1986, unemployment achieved its higher rate (9,9%) followed by an outstanding decrease during the nineties and recording the lowest rates in 2000 (3,9%). Since then, it has been rising, except for 2008, when this indicator amounted to 7.6% - less 0.4pp then the previous year (corresponding to less 21.5 thousand unemployed persons than the previous year), comprising in 2009 over 528 thousand people. The increase in unemployment observed at least until 2007 in the Portuguese economy has been associated by some experts to a slowdown in the creation employment rates, since there had been registered the falling of the destruction employment rates. This is perhaps common in the developed economies during economic slowdown periods. However, since 2008, the restructuring of traditional manufacturing sectors have been harshly threatened, particularly by international competition, globalization and large-scale economic crisis, giving up space to new economies and causing collective dismissals of workers with low scholar qualifications and professional skills.</p> <p>And, although the beginning of 2008 indicated a slight improvement in the overall behaviour of the indicators associated with the employment market, weaknesses still persist in Portuguese society in arrears to structural factors, such as the entrepreneurial structure and professional qualifications</p>

Romania



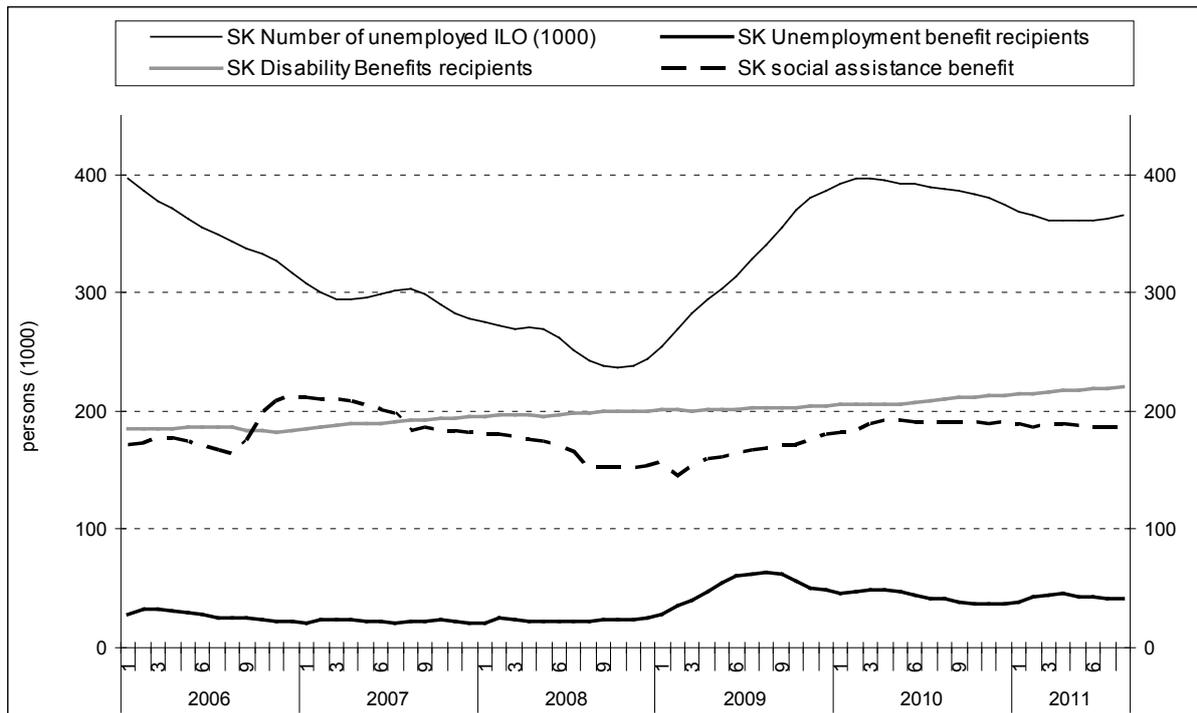
Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Number of unemployment indemnity recipients
Unit	Thousands of persons
Source	Ministry of Labour, Family and Social Protection, National Agency for Social Benefits and National Agency for Employment
Social assistance benefit	
Definition	Social income (guaranteed minimum income)
Unit	Thousands of persons
Source	Source: Ministry of Labour, Family and Social Protection, National Agency for Social Benefits and National Agency for Employment
Invalidity pensions	
Definition	Average Number of pensioners (thousand)
Unit	thousands of pensioners
Source	State Social Insurance

Slovenia



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
Unemployment benefit	
Definition	Statutory basis for unemployment insurance is Labour Market Regulation Act (Zakon o urejanju trga dela)(Official Gazette RS, No. 80/2010)
Unit	thousands of recipients
Source	MLFSA
Social assistance benefit	
Definition	Financial social assistance is a residual social benefit which acts as a final safety-net. It is designed as a minimum needed to cover the costs of most needed issues: food, clothes, heating, hygiene & minor-basic health-care costs, etc.
Unit	thousands of recipients
Source	MLFSA
Disability benefit	
Definition	Disability benefits beneficiaries – Number of unemployed persons receiving disability benefits. Included are recipients of invalidity benefit, temporary benefit, partial invalidity pension, benefit for occupational rehabilitation, before retraining benefit and before employment benefit.
Unit	thousands of recipients
Source	Pension and Disability Insurance Institute of the Republic of Slovenia

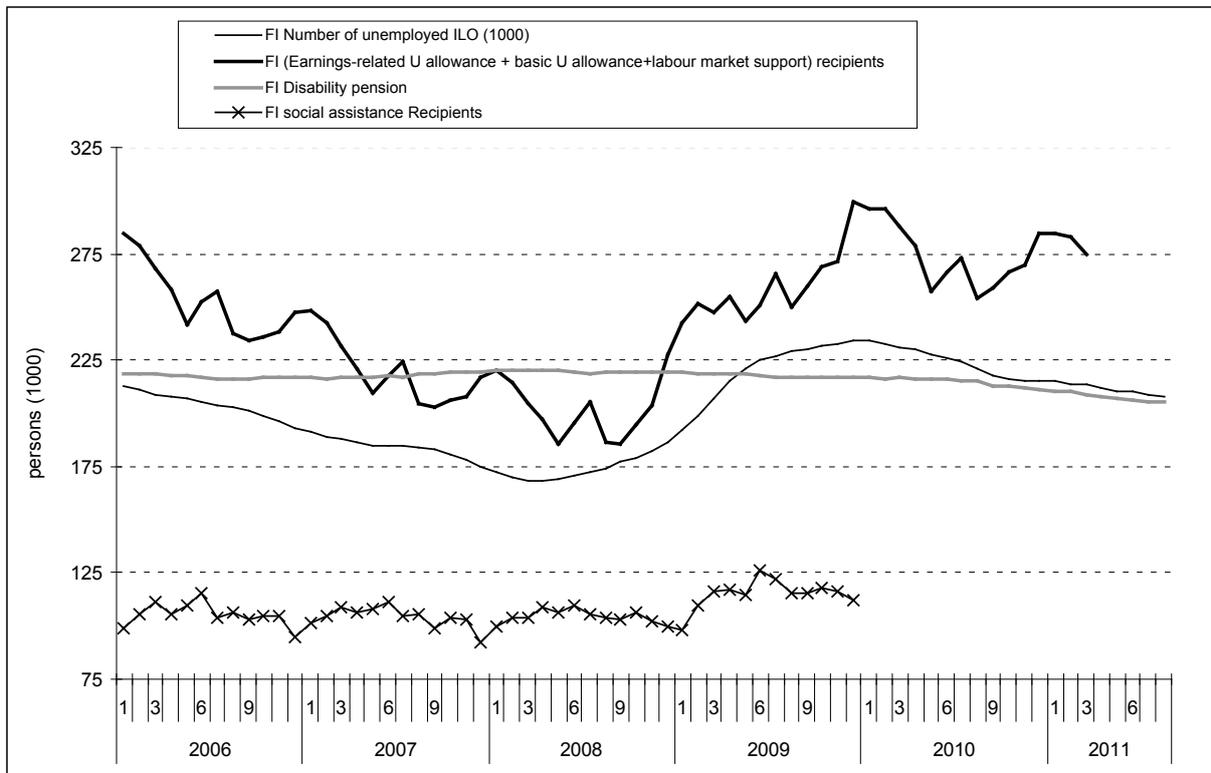
Slovakia



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Unemployment benefit recipients
Unit	thousands of recipients
Source	Social Insurance Agency
link	http://www.socpoist.sk/pocet-pobratelov-davok-v-nezamestnanosti/1662s
Social assistance benefit	
Definition	social assistance benefit
Unit	thousands of recipients
Source	Centre Office of Labour, Social Affairs and Family
link	http://www.upsvar.sk/statistiky/socialne-davky-statistiky.html?page_id=10826
Disability benefit	
Definition	Disability Benefits recipients
Unit	thousands of recipients
Source	Social Insurance Agency
link	http://www.socpoist.sk/pocet-vplacanych-dochodkov-v-mesiacoch-/3150s

	<p>Unemployment Benefit: The development in number of the recipients was stable for period 2006 to 2008, nevertheless the first higher rising occurred in December 2008. Then the number of recipients increased dramatically till the August 2009 and then follow month-to-month drop since September to the end of Year 2009. The effect of economic crisis and recession has been the main reason (particularly growth of unemployment) of negative trend in Year 2009. Part of recipients who have finished the supportive period of disbursement of the unemployment benefit could be transfer into social assistance benefit (benefit in material need), if they are still unemployed. The new softer eligibility criteria on unemployment benefit came into effect since 1 September 2010. The minimum necessary condition of unemployment insurance decreased from 3 years from the last four years into 2 years from the last three years.</p>
Comments:	<p>Social Assistance Benefit: Recipients are defined as recipients of benefits. In the system of assistance in material need (social assistance) we are talking about the recipient, which is the range of jointly assessed persons, i.e. individual, family with children, families without children, etc. This means that for one recipient of assistance in material need may be more of jointly assessed persons.</p>
	<p>Disability Benefit: The development of recipients was stable in period 2006 to 2010, but soft increased could be seen since 1 October 2006, as reaction to the Resolution of Constitutional Court of the Slovak Republic. However, in Year 2010 coming another modest growth of recipients, because lighter conditions came into effect since 1 January 2010 (the minimum pension period on invalidity benefit will be required from all career, not only from last 10 years). This trend continues in Year 2011.</p>

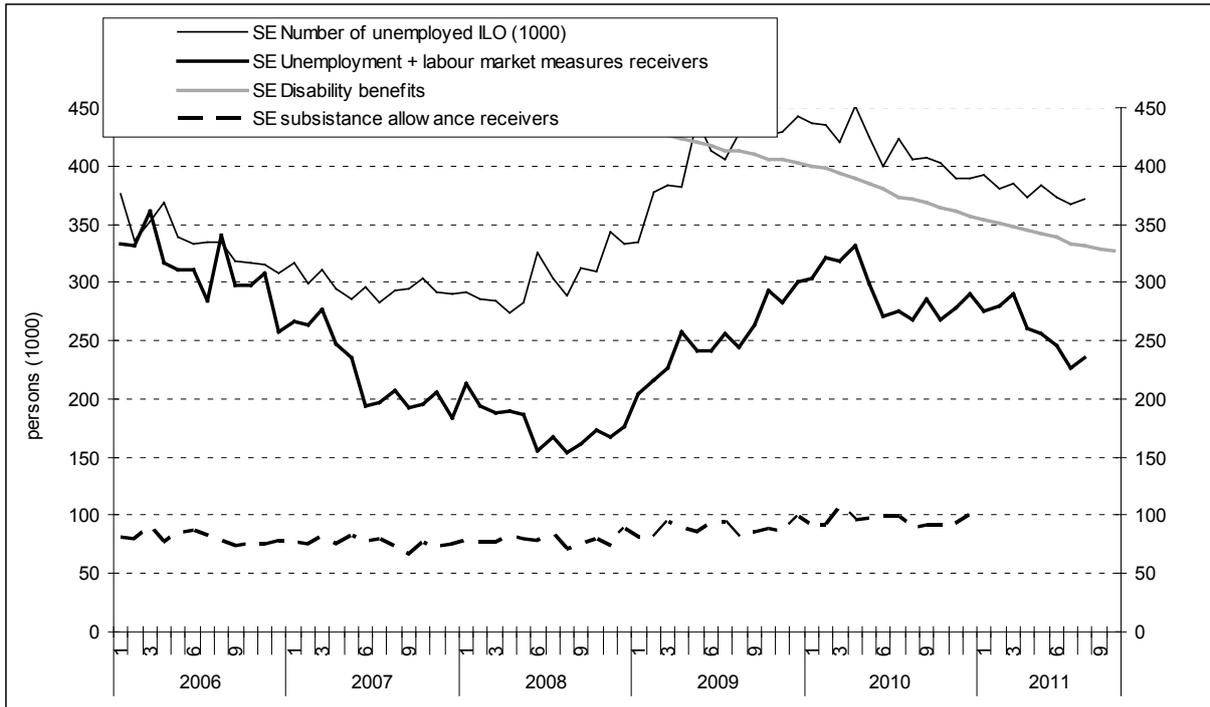
Finland



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en

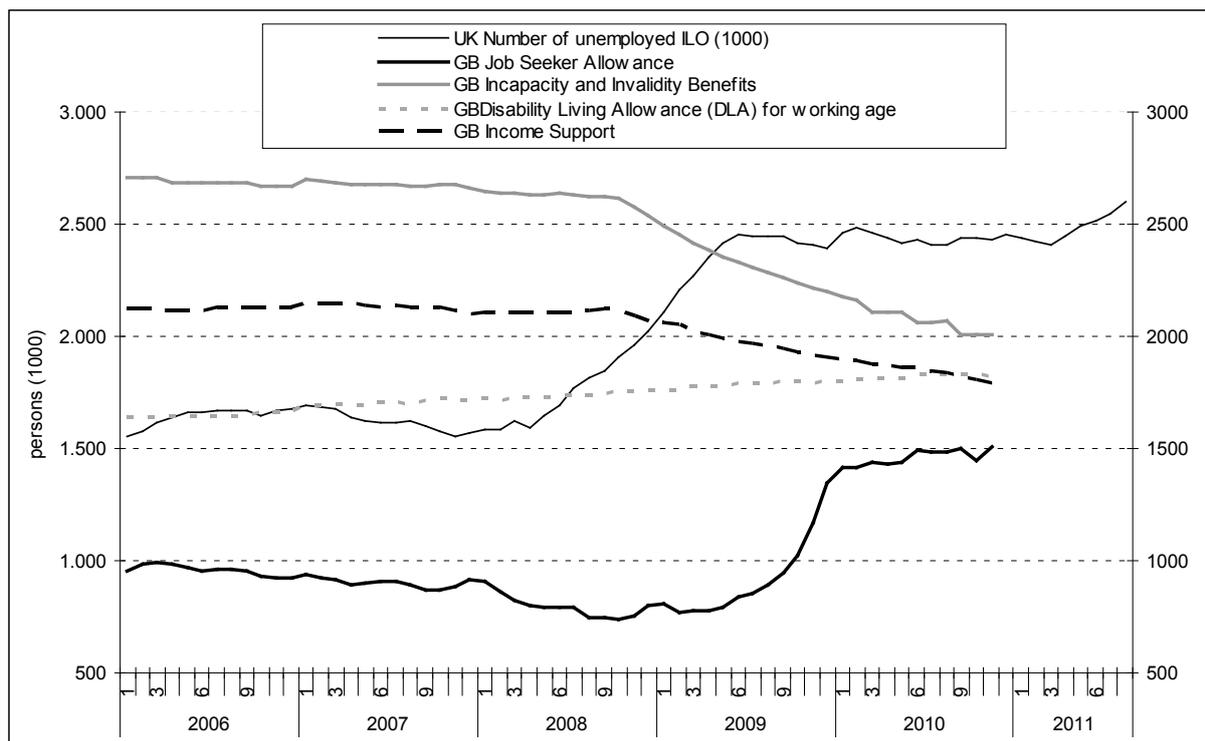
Unemployment benefit	
Definition	Earnings-related unemployment allowance; Basic unemployment allowance; Labour market support
Unit	thousands of recipients
Source	Social Insurance Institution
comment	<p>Earnings-related unemployment allowance is paid for those who fulfill the eligibility criterias: Employment conditions and are member of an unemployment fund. This is voluntary, you have to pay an annual fee. In the case of unemployment the allowance is related to your salary. Most of the funds are managed by trade unions. Basic unemployment allowance is like earnings-related allowance, but the difference is that you are not a member of an unemployment fund. The allowance is flat rate and low. Starting from 2010, basic and earnings-related unemployment allowances are payable not only during unemployment but also during participation in a measure of active labour market policy. Labour market support is flat rate benefits (and low) for those who do not qualify for the eligibility rules of the benefits mentioned above. In most cases they are young people and those who have received the allowances mentioned above for the maximum period. Also labour market support is payable not only during unemployment but also during participation in a measure of active labour market policy.</p> <p>Total number of people receiving unemployment benefits decreased until 2008. After that, the number has increased. In 2011, the number of recipients decreased again. Starting from 2010, basic and earnings-related unemployment allowances and labour market support are payable not only during unemployment but also during participation in a measure of active labour market policy. This has increased the number of recipients.</p>
Social assistance benefit	
Definition	Recipients of social assistance (households)
Unit	thousands of recipients
Source	National Institute for Welfare and Health
comment	<p>The need for social assistance decreased until 2008. The number of households receiving social assistance increased rapidly in first part of 2009. After that, the increase stopped. In 2009, households were receiving social assistance for an average of 5,8 months. During the whole year 2009, almost 239 000 households received this benefit, which is 11 % more than 2008. According to preliminary data, number of households during the year increased by 1 % in 2010.</p>
Disability benefit	
Definition	Recipients of disability pension (earnings-related schemes) in the end of the month
Unit	thousands of recipients
Source	Finnish Centre for Pensions
comment	<p>The number of people receiving disability pension has decreased since the beginning of 2009. From autumn 2010 to autumn 2011 number of recipients decreased by 5 %.</p> <p>People don't apply for disability pension as much as before. This is mainly due to the pension reform in 2005, which for example changed the retirement age from 65 to 63-68 years. After 2005 has pension take up changed, but the reform also included some technical changes to the pension system. For example, disability pension is converted to old age pension in earlier age than before.</p>

Sweden



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Unemployment benefit; labour market measures
Unit	thousands of recipients
Source	Statistics Sweden
Social assistance benefit	
Definition	Subsistence allowance
Unit	measured in full year equivalents (i.e. benefit for 365 days at a 100% withdraw rate).
Source	Statistics Sweden
Disability benefit	
Definition	
Unit	thousands of recipients
Source	Statistics Sweden

United Kingdom



Unemployment	
Definition	Unemployment according to ILO definition - Total
Unit	Thousands of persons - seasonally adjusted
Source	Eurostat
link	http://nui.epp.eurostat.ec.europa.eu/nui/show.do?dataset=lmhu_m&lang=en
Unemployment benefit	
Definition	Job Seekers Allowance (claimants)
Unit	thousands of claimants
Source	ONS
comment	Jobseeker's Allowance is the main benefit for people of working age who are out of work or work less than 16 hours a week on average.
Social assistance benefit	
Definition	Income Support
Unit	thousands of claimants
Source	DWP
comment	Income Support is intended to help people on low incomes who do not have to be available for employment. It can normally be claimed by people who are: aged 16 or over; not working or working under 16 hours per week (and/or with a partner working under 24 hours); not required to be available for full-time employment; and in receipt of insufficient income to meet prescribed needs. The main types of people who receive it are lone parents, the long and short-term sick, people with disabilities and other special groups. The data here exclude claimants on Minimum Income Guarantee (MIG) part of income support for persons over 60 (MIG was replaced with Pension Credit in Oct 2003).

Disability benefit	
serie 1	Incapacity and Invalidity Benefits
serie 2	Disability Living Allowance
Unit	thousands of recipients
Source	DWP
	Disability Living Allowance (DLA) provides a non-contributory, non means-tested and tax-free contribution towards the disability-related extra costs of severely disabled people who claim help with those costs before the age of 65. It replaced and extended Attendance Allowance and Mobility Allowance for people in this age group from April 1992.
comment	Income related incapacity and invalidity related benefits (these include historic benefits: Sickness Benefit, Invalidity Benefit, Credits Only, and current benefits including Incapacity Benefit, Employment Support Allowance, and Severe Disability Allowance (working age)) Note: Incapacity Benefit replaced Sickness Benefit and Invalidity Benefit from 13 April 1995. It is paid to people who are assessed as being incapable of work and who meet certain contribution conditions.
Comments:	<p>UK unemployment has shown a small decrease since the beginning of 2010, but overall there has been a slight rise in JSA claimants over the same period. Income Support claimant counts have continued to decrease over 2010, by approximately 109,000 to 1,794,000. Part of this decline is due to higher requirements for lone parents (age of child requirement has moved down to 7 in October 2010). Another reason for the downward trend is that what used to be the income support component for those also on Incapacity Benefit has been stripped out from Income Support benefit. Numbers of claimants of income related incapacity benefits, which include the new Employment Support Allowance, have decreased very slightly over 2010, by approximately 168,000 to 2,009,000. This might suggest that the new, tighter eligibility rules may be starting to have an effect on the claimant count. The claimant count for DLA continued to rise slightly over 2010, rising by 18,000 over the calendar year..</p> <p>The long term trend of Disability Living allowance claimant numbers is due to a number of factors including demoraphics and increases in the percentage of the population claiming DLA> Demographic change includes both the growth of the population and changes in its age and gender structure.</p>

Annex 3. Views of the Social Partners and the Social Platform



European Trade Union Confederation (ETUC)
Confédération européenne des syndicats (CES)

Intervention CES au Comité de la Protection Sociale : Echange de vue avec les Partenaires sociaux et la Plateforme sociale

(12 janvier 2012)

Je voudrais tout d'abord remercier le Président et les membres du Comité de recevoir avant que ne soient définitivement rédigés les « messages clés » du SPC, autrement dit de nous permettre de nous exprimer en amont...

Large accord sur les constats

Je voudrais tout d'abord souligner la qualité de l'analyse et des constats dressés dans ce rapport, que nous **partageons** que ce soit, entre autres constats dressés

- Sur la pauvreté des femmes au moment de la retraite
- Sur la situation de jeunes
- Sur les conséquences en terme de pauvreté ou de risque de pauvreté des longues périodes passées au chômage
- Ou encore sur le constat que les personnes en contrat temporaires sont deux fois plus exposées au risque de pauvreté que celles bénéficiant de contrat à durée indéterminée...
-

Sur d'autres toutefois, ainsi que sur certaines mesures mises en œuvre pour répondre aux conséquences sociales de la crise, la CES est beaucoup plus réservée pour ne pas dire parfois en désaccord.

Ainsi nous voudrions largement nuancer ce qui est dit (P.16) concernant le fait que dans cette période de crise « les personnes âgées semblent moins exposées (exception faite des femmes âgées – mentionnées par ailleurs) à la pauvreté et à l'exclusion sociale ».

Ceci est peut-être le cas – encore faudrait-il y regarder de plus près – pour les retraité(e)s actuel(le)s qui ont bénéficié principalement des systèmes publics de pensions et de leur garantie ainsi que par la mise en place dans différents pays des systèmes de pensions minimales. Mais avec le développement et l'incitation à souscrire à des régimes privés, largement dépendant des systèmes financiers et à leur risque – développement qui s'est accompagné parallèlement à des baisses ou des gels des montants assurés par les systèmes publics, qu'en sera-t-il demain ?

Mais la CES ne peut aujourd'hui « cautionner » certaines mesures mises en œuvre dans différents Etats membres, car elles ne sont pas de notre point de vue des réponses pertinentes à la crise et à ses conséquences.

Une mesure inadéquate pour nous est celle, **aujourd'hui**, du recul de l'âge légal de la pension...

En effet que signifie ce recul quand l'on sait qu'aujourd'hui, le taux d'emploi des 55-64 ans était, selon Eurostat, fin 2010 de 46,3%, même si l'on peut noter quelques exceptions (en Suède, au Danemark, en Allemagne ou au Royaume-Uni...).

Pour la CES, la priorité est de permettre aux femmes et aux hommes – en tenant compte, bien sûr, de la pénibilité des emplois et de l'âge auquel ils (elles) ont commencé à travailler d'aller jusqu'à l'âge légal de la pension avant de prétendre le reculer...

Et alors même que cela serait, encore faudrait-il que le travail existe... Or aujourd'hui, il n'y a aucune commune mesure entre les offres d'emplois disponibles et celles et ceux qui voudraient pouvoir travailler ou qui recherchent un emploi...

De même, nous ne sommes pas convaincus par la mise en place d'un impôt sur la consommation pour compenser une baisse des cotisations sociales des entreprises, cet impôt sur la consommation, fût-il qualifié de « social » !

Tout d'abord, parce qu'il est profondément inégalitaire pénalisant surtout les personnes à bas revenus, ce qui ne peut que les enfoncer un peu plus dans la crise.

D'autre part, parce que cette baisse ne se traduit jamais par une augmentation corrélative des salaires.

Et, enfin, parce qu'elle risque de pénaliser de fait la consommation...

Ceci étant précisé, la CES est favorable à rechercher des modalités de financement de la protection sociale qui pèseraient moins sur le « coût du travail », autrement dit de rechercher des financements « alternatifs »...

Ce ne sont là que quelques exemples...

Les réponses et les messages clés de la CES

Pour la CES, nous sommes certes pour une certaine discipline budgétaire, mais celle-ci, ne peut se mettre en œuvre sans un accompagnement social. Faute de quoi, c'est le développement de l'austérité qui ensuite joue en spirale descendante !

La première priorité – ou le premier message-clé pour les Etats membres, **est d'investir dans les emplois durables**. Ce qui passe en particulier par le développement de la recherche et du développement, de la qualité de la formation, qu'elle soit initiale ou continuée, etc...

Le second est de développer **des emplois de qualité**, c'est-à-dire non précaires. En effet la « précarité » multiplie les risques de pauvreté comme le relève très justement le rapport. Et de ce point de vue l'attention doit être particulièrement portée sur l'emploi des jeunes. Quand l'on sait que près d'un jeune sur quatre est sans emploi (on ne parle même pas d'emploi durable), il ya de quoi être inquiet pour l'avenir...

Le troisième message est de **prioriser et développer les systèmes publics** de protection sociale – non seulement pour les plus démunis, mais **pour toutes et tous**. Faute de quoi, il y aurait un risque accru de leur privatisation, ce qui se traduirait, par exemple, par des systèmes de santé privatisés inaccessibles aux plus démunis, comme le relève également le document et par des systèmes de pension soumis aux aléas des marchés financiers et donc n'offrant pas des prestations « adéquates » pour reprendre l'un des objectifs de la MOC pension...Et ce qui se passe aujourd'hui aux Pays-Bas ou au Royaume-Uni, nous renforce dans cette position...

Le quatrième message porte sur le développement du **dialogue social**, tant au niveau européen que...national ! Car la qualité de l'emploi concerne au premier chef les partenaires sociaux. Et nous sommes déjà engagés... mais ce dialogue social doit aussi se développer – en qualité - au niveau national et ne pas en rester au niveau européen. Il convient de « tenir les deux bouts de la chaîne ». Car il est clair que la gouvernance macro-économique aura des répercussions sur le dialogue social national et européen...

Enfin, et sans que cette liste soit exhaustive, le cinquième message porte sur **les moyens financiers à mettre en œuvre**. A savoir

- revoir le rôle de la BCE qui doit – sous certaines conditions pour les Etats membres – permettre de garantir les dettes, comme le fait la Réserve fédérale américaine
- revoir les politiques fiscales : paradis fiscaux, exonérations inconditionnelles, niches fiscales, etc...
- trouver ou mettre en place de nouveaux instruments au niveau européen : Eurobonds, TTF, etc...

Pour la CES une chose est certaine : on ne peut soigner un mal en générant un autre mal. Autrement, les politiques d'austérité génèrent mécaniquement encore plus d'austérité, ce qui ne concourt pas à « rassurer les marchés financiers »...

17 January 2012

**COMMENTS ON REPORT OF THE SOCIAL PROTECTION COMMITTEE:
“SOCIAL IMPACT OF THE ECONOMIC CRISIS”**

REMARKS

- The crisis has clearly highlighted the underlying structural weaknesses on European labour markets: weak economic and employment growth; chronically high levels of long-term unemployment; and weak labour productivity growth.
- Looking beyond the overall EU figures, there is a trend that those countries which undertook structural reforms before the crisis have fared better. In contrast, those countries that have not introduced the necessary reforms are expected to see further increases in unemployment.
- As highlighted in the report, high levels of unemployment of young people and long-term unemployment are of particular concern. This is detrimental for the sustainability of social protection systems, as it results in a combination of a decreased tax base and an increased level of unemployment-related expenditures. It is also a waste of talent and potential on the labour market.
- To reach the Europe 2020 75% employment rate target, companies will have to create 17.6 million new jobs. However, in many member states, labour markets are too rigid and therefore do not facilitate hiring.²³
- Employment remains the best way to avoid poverty and social exclusion. Therefore we fully support member states which strongly link the fight against poverty and social exclusion to labour market exclusion.
- The priority for tackling poverty should be to deal with the problem highlighted in the report, of increasing shares of people living in households with very low work intensity, as well as jobless households.
- We note that the at-risk-of-poverty rate for people in work remained more or less stable during the crisis. This is partly due to adjustments during the first phase of the crisis focusing more on hours worked than wage responses.
- However, pay cuts and pay freezes have been and remain unavoidable as a result of the crisis. Countries that have accumulated fiscal imbalances before the crisis, including wage growth not in line with productivity, are now facing more severe structural adjustment challenges.
- Social protection systems have acted as automatic stabilisers during the crisis, however their role in protecting the most vulnerable can only be ensured if they are sustainable. Fine-tuning systems to make them more generous, increasing spending on benefits is not a sustainable option at a time of persisting economic difficulties, poor employment perspectives, and restricted government budgets.
- The focus should rather be on further reforms of social protection systems, aiming at

²³ According to the World Economic Forum 2009-2010 Global Competitiveness Report, 14 out of the 27 EU member states rank amongst the highest globally in terms of employment rigidity

encouraging and facilitating return to work. This is important in avoiding prolonged welfare dependency, a point rightly highlighted in the report, as it puts increased pressure on social protection systems and can lead to long-term labour market exclusion.

- Ensuring that social protection systems are geared to labour market inclusion is particularly important in view of demographic change. The crisis has worsened the situation; combined with the loss of a mass of skills as a generation of experienced and skilled workers goes into retirement, there will be a reduction in the number of people entering the labour market.
- Given the increases in life expectancy and the time that people can expect to spend in retirement, longer working lives are simply a necessity. This avoids the unfavourable situation of lower benefits in retirement and higher contributions by companies and those people working.
- This is also crucial for reducing public debt in the long-term, considering that age-related public expenditure is projected to increase on average in the EU by 4.75% of GDP between 2007 and 2060.

RECOMMENDATIONS

1. Member states should target available resources on measures which support future growth and job creation.
2. To avoid aggravating the employment situation, and to ensure sustainability of social protection systems, the weaknesses on European labour markets need to be dealt with by following through with structural reforms.
3. The priority should be to urgently tackle unemployment, in particular of young people, as well as long-term unemployment. This is essential to increase the tax base and stabilize public finances.
4. Member states should focus on: increasing labour market flexibility; shifting towards more active labour policies; reforming social security systems; reducing the tax burden on labour and investing in lifelong learning.
5. For companies to create jobs, labour markets need to be made less rigid. This means allowing for different forms of contractual arrangements and making permanent contracts employment-friendly to stimulate hiring.
6. Active labour market policies should finance, as a priority, measures aiming to maintain and/or develop the employability of long-term unemployed people. To encourage companies to hire long-term unemployed workers, social contributions for the low skilled could be reduced.
7. Further reforms of social security systems are needed in member states, to reduce dependency on benefits and encourage return to work.
8. To ensure longer working lives, increasing the statutory retirement age is indispensable, combined with appropriate measures in the national context to raise the actual retirement age.
9. Member states should continue with pension system reforms, and the EU should ensure that it supports the cost-effective provision of occupational pensions, as an increasingly important source of income in retirement.
10. An upgrading and updating of skills is needed, to ensure they meet the demands of the labour market.

Exchange of views between the Social Protection Committee and Social partners on 12 January 2012

Comments by Helen Hoffmann, Advisor for Social Affairs, UEAPME,

On the 2011 SPC Report regarding Social Impact of the Economic Crisis and Ongoing Fiscal Consolidation

Introduction

UEAPME, the European social partner representing the interests of small and medium sized companies and crafts in Europe, strongly welcomes this exchange of views with the members of the SPC on the social impact of the crisis.

General comments

UEAPME considers it important to fully integrate the social objectives within the Europe 2020 Strategy and in particular strengthen the link with the macroeconomic and employment dimensions. This is the only way to achieve more sustainable results.

Therefore we welcome the new Annual Growth Survey 2012, which dedicates one of its five priorities to tackling unemployment and the social consequences of the crisis. The enhanced governance through the European Semester and the AGS should contribute to restoring economic growth and create more jobs, as employment is still the best protection against poverty.

Specific comments on the SPC report

UEAPME overall supports the SPC report aimed at mapping the social consequences of the economic crisis and fiscal consolidation in member states. It should lead to enhancing the exchange of good practices between member states related to the crisis and in the field of social policy, as well as improve evidence based policy making. We wish to comment as follows:

- ***Role of temporary contracts:*** We consider the statement in the report that temporary contracts can be an effective way of lifting people out of poverty as a positive one. Faced with the uncertainties linked to the crisis, an increased pace of change and globalisation, businesses have less predictability in the near future but they also need to adapt more quickly and therefore flexible contractual arrangements indeed help companies to maintain or increase employment. At the same time, the right balance of flexibility and security contributes to financing social security contributions and thus help maintain the welfare state and strengthen anti-poverty policies.
- ***Labour market activation measures and job creation*** is a key area to help activate the unemployed by moving them into employment or self-employment and in particular with a view to avoiding structural long-term unemployment and social exclusion. The report mentions the role of practical support and guidance given to support job creation to start an SME in one of the member states. Indeed, SMEs are vital for economic growth and notably small companies are the highest net job creators¹. However, at the same time self-employed face a high risk of poverty, even more so in the crisis. According to indicators the risk of poverty for self-employed is 3 times higher in Europe than for employees, i.e. around 18% compared to 6% for employees². This should be addressed in the report.
- ***Reforming pensions systems:*** Making pensions more adequate and sustainable needs to go hand in hand with structural reforms of pensions systems and labour market, according to the situation in Member States. In addition, enterprises have a role to play in carrying out measures at the workplace to extend working lives. UEAPME jointly with BUSINESSEUROPE and CEEP is undertaking an EU employers' project funded by the EC on "Age Management Policies in enterprises in Europe". The aim is to draw on practical experience of what has already been done and what has been shown to work in enterprises of different sizes and sectors. The final synthesis report should be available by the autumn and is a timely contribution to the 2012 European Year of Active Ageing and Intergenerational Solidarity.

1 See "SME Performance Review" by DG Enterprise SME of 16/01/12. It states that micro firms (less than 10 employees) are responsible with 58% for the highest proportion of total net employment growth in the business economy.

2 See "Working poor in Europe" report by Eurofound in 2010

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- Finally, the **role of social partners and social dialogue** has not been addressed in the report. Social dialogue makes a crucial contribution either in mitigating the social impact of the crisis directly, for instance by using collective bargaining to introduce wage moderation, but also together with public authorities for setting up or improving short time working schemes or adapting the level of social benefits, or more generally, for example in relation to designing and implementing pension policies. Dutch social partner made an agreement on pensions in 2010 with the aim to tackle the demographic challenges and ensure financial sustainability of pensions. An adjustment mechanism will link the retirement age to life expectancy, which will be reviewed every 5 years for the 1st and 2nd pillar. Consequently, UEAPME recommends the role of social partners in mitigating the social impact of the crisis to be taken into account in the report at all levels: European, national, regional and sectoral.

Conclusion

To sum up, the report is indeed a useful contribution to establish a better overview of the social impact of the crisis in Europe. UEAPME considers it will help to make informed policy recommendations at European level for the social dimension of the Europe 2020 Strategy.

17/01/12

Brussels, 20 January 2012

CEEP comments on the draft 2011 SPC Report on the Social Impact of the Economic Crisis and Ongoing Fiscal Consolidation

General remarks

- According to the latest statistics from the European Commission, the modest labour market recovery we have seen stopped in the third quarter of 2011. More and more Member States are recording employment slowdown or decrease. Economic forecasts are predicting that GDP is likely to stagnate this year and the overall growth in the EU is forecasted to be as low as 0.6% for 2012.
- To say the least, we are far from seeing any light at the end of tunnel following the crisis that started in 2008. This is rightly reflected in the draft report from the Social Protection Committee.
- As is also mentioned in the draft report, young people have been shown to be the biggest “victims” of the economic downturn. We cannot afford having a “lost generation” in meeting our short and long-term labour market challenges.
- What is especially worrying in this respect is the share of young people neither in employment, education nor training. In total we are speaking about 7.5 million people in the 15-24 age group.
- Immediate action is therefore needed to tackle the high youth unemployment rate.
- From a general point of view, CEEP welcomes the references in the report to the essential role of public services concerning social protection and in combating poverty and social exclusion.
- Indeed, public services are an essential element to support labour market integration and social inclusion. Access to effective and affordable public services play a key role in reducing private expenditure and hence raising disposable income, mitigating income poverty and inequality.
- It is in this respect also important to highlight that public services such as health and education have been the sectors with the highest level of employment growth in the EU between first quarter of 2008-2010, with net increases in employment in the EU27 of half a million and over a million respectively. This is core public services which not only contribute to growth but also the well functioning of the labour market (education providers).
- CEEP has never questioned the necessity of fiscal consolidation measures now being implemented in many Member States. However, the implications for public services will be that the financial room for manoeuvre will diminish via lower income and cuts in public spending for public services.

- This is an issue due to that fact that effective and high-quality public services provide an important infrastructure for private business development and citizen's quality of life. One should also bear in mind that Public Services contribute directly to more than 26% of the European GDP. CEEP therefore wants to emphasise the need to be selective in implementing fiscal consolidation measures.
- This needs to be reflected upon, especially if one look at some of the facts mentioned in the draft report. There is for instance a reference to a recent Eurobarometer study showing that access to essential health and social services are experienced to have worsened during the crisis.
- This is having a real impact for vulnerable groups in our societies and this is something to look seriously upon.

To: Social Protection Committee

Re: Report of the Social Protection Committee on the social impact of the economic crisis and the ongoing fiscal consolidation

The European Union is facing the worst economic and social crisis since the 1930s. Unemployment has now reached a historically high level, while long-term unemployment accounts for an ever higher share of total unemployment. Poverty is on the rise and to counter this trend, member states need not only aim at stabilising but also at decreasing poverty.

Furthermore the economic governance of the EU – in trying to respond to the pressure of financial markets – develops in a way that forces member states more and more to implement short-term austerity policies. This is happening without taking into account the detrimental effect these policies have on the social cohesion of society and on the lives of women and men in Europe today.

Therefore, the report of the Social Protection Committee should call upon the EPSCO Council to integrate binding conclusions on the inclusion of social objectives, and access to rights, resources and services for all, in the EU economic governance.

We call upon the SPC to incorporate the following key issues in its report:

1) Focus on ALL different vulnerable people

The report should focus on ALL vulnerable groups and people - including children, young people, elderly people, women, migrants, ethnic minorities, people with disabilities, homeless people - as they are disproportionately effected by the crisis.

WHY

- European Commission findings show that most people are affected by the rise of unemployment, but especially hard hit are the young, the low-skilled and migrants. Poverty is on the rise and young adults, children and single parents are particularly at risk. Furthermore, the austerity measures are aggravating further the situation of the most vulnerable.²⁴

HOW

- A holistic approach could be taken addressing vulnerable people integrated in each thematic section of the report, while also dedicating a specific section to them.

2) Active Inclusion

The Active Inclusion strategy should be referred to. The integrated approach of the three pillars of active inclusion should continue to be promoted and the implementation of the principles stated in the 2008 EC Recommendation on Active Inclusion should be monitored.

WHY

²⁴ European Commission, [EU Employment and Social Situation Quarterly review December 2011](#).

- Information from organisations at national level suggests that the principles of active inclusion have not yet been implemented, while the number of precarious and part-time jobs is increasing throughout Europe.

HOW

- Include in the SPC report an social and gender assessment of the implementation of the Active Inclusion strategy against the background of the financial and economic crisis.
- Urge the EPSCO Council to implement the Commission recommendation on Active Inclusion and to ensure the creation of and the access to quality jobs in line with the integrated guideline 7.

3) Rising inequality

Whereas we welcome the inclusion of a section on inequality in the report, it should be indicated how inequality – including inequality in the distribution of wealth - is rising as a consequence of the crisis and the austerity measures, and not only the perception of it.

WHY

- OECD data show that nearly all OECD countries have witnessed rising inequalities and not only a rising of the perception of inequalities.²⁵ Also the European Commission has acknowledged the aggravating impact of the crisis on inequalities.

HOW

- The report should point out how the crisis leads to greater poverty, which leads to higher barriers to social inclusion. Discrimination in itself can lead to poverty (and hinder access to the labour market) but also poverty in itself is a barrier to access fundamental rights per se.

4) Services of General Interest

An analysis of the impact of the crisis and the austerity measures on services of general interest, and particularly on social services of general interest, should be included in the report.

WHY

- Cuts in social spending under the crisis are having a huge impact on the social and health support services available to the general public and people in need, whereas this often coincides with greater demand for services because of increasing poverty. Our members reported that in some member states services, such as welfare services, health services, front line social care services and pensions, have been downsized or closed down as consequence of budget cuts in social expenditure. Furthermore the working conditions in the sector degrade due to lack of sustainable funding for social service providers.
- Austerity measures appear to have worsened the direct impact of the crisis on the people, adding to the increasing unemployment a decreasing support to essential social and health services.

HOW

- Create a specific section in the SPC report on the impact of the crisis on services of general interest, particularly on social services of general interest, including data on the financial cuts

²⁵ OECD Report, [Divided We Stand: Why inequality keeps rising](#), November 2011.

in these services; a survey of which services are undergoing cuts, which vulnerable people are affected and what the consequences are for them; data on the increase of costs of services for people; data on an increasing demand for social services.

- Address a recommendation to the EPSCO Council to invest in the social services and to create new jobs, acknowledging its economic relevance since the demand for these services already exceeds the supply of resources available.



Conny Reuter
President



Pierre Baussand
Director

Social Platform is the largest European civil society alliance fighting for social justice and participatory democracy and consisting of 46 pan-European civil society networks representing thousands of civil society organisations across all 27 member states. Our members include organisations working with or representing the marginalised and socially excluded and are working on inclusion policies, e.g. in the fields of social policy, employment, education, equality and social services.

Annex 4. Statistical tables

Table 1. At risk of poverty or social exclusion, at-risk-of-poverty rate, severe material deprivation rate, population living in very low work intensity households (in 1000 people), 2008-2010

	At-risk of poverty or social exclusion			At-risk-of-poverty			Severe Material Deprivation			People living in very low work intensity households		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	115742	113716	115479	80694	80160	80018	41431	39751	40096	34267	34223	37377
BE	2194	2145	2235	1554	1549	1566	595	555	628	967	1021	1053
BG	3421	3511	3145	1632	1657	1565	3151	3184	2644	470	399	454
CZ	1566	1448	1495	925	885	936	696	635	644	581	482	520
DK	887	962	1007	643	716	728	107	124	145	347	360	433
DE	16345	16217	15962	12389	12590	12648	4442	4360	3672	7044	6538	6695
EE	291	312	289	259	262	211	65	83	119	55	58	92
IE	1050	1150	:	686	670	:	243	274	:	509	739	:
EL	3058	3007	3031	2209	2149	2205	1213	1198	1269	611	539	619
ES	10340	10652	11675	8862	8885	9487	1150	1582	1814	2187	2500	3510
FR	11237	11155	11763	7634	7800	8206	3253	3372	3530	4069	3873	4585
IT	15099	14835	14742	11149	11077	10938	4494	4211	4157	4344	3922	4514
CY	174	176	:	127	128	:	64	62	:	27	26	:
LV	757	834	846	573	573	474	425	489	609	91	118	213
LT	928	985	1109	671	687	672	414	502	648	135	184	241
LU	72	85	83	62	71	71	3	5	3	18	24	22
HU	2794	2924	2948	1226	1229	1211	1771	2009	2129	943	870	909
MT	80	82	84	61	62	64	16	19	23	26	27	27
NL	2432	2483	2483	1713	1816	1694	252	237	366	1053	1083	1068
AT	1532	1406	1373	1018	993	1004	524	395	355	503	461	497

PL	11491	10454	10409	6353	6435	6588	6680	5625	5331	2444	2102	2211
PT	2757	2648	2693	1967	1898	1903	1029	965	958	517	567	700
RO	9418	9112	8890	4988	4745	4522	7023	6817	6643	1413	1299	1176
SI	361	339	366	241	223	254	130	121	119	105	88	111
SK	1111	1061	1118	588	594	651	636	601	621	225	243	349
FI	910	886	890	709	725	692	181	148	150	296	329	364
SE	1367	1459	1418	1121	1215	1212	132	144	125	381	430	418
UK	14069	13389	14209	11335	10526	10519	2739	2034	2972	4905	5941	6206

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 2. At risk of poverty or social exclusion (in%), 2008-2010 (total population and children)

	Total									Children (<18 years)								
	Total			Males			Females			Total			Males			Females		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	23.6	23.1	23.4	22.1	21.8	22.3	25.0	24.3	24.5	26.2	26.0	26.9	26.1	25.7	26.8	26.3	26.3	27.0
BE	20.8	20.2	20.8	19.1	18.5	20.0	22.4	21.8	21.7	21.3	20.5	23.2	21.3	19.9	22.4	21.4	21.0	24.1
BG	44.8	46.2	41.6	43.0	44.1	39.8	46.4	48.1	43.3	44.2	47.3	44.6	45.2	48.9	44.5	43.1	45.7	44.6
CZ	15.3	14.0	14.4	13.3	12.3	12.7	17.2	15.7	16.0	18.6	17.2	18.9	19.1	17.7	18.8	18.0	16.7	18.9
DK	16.3	17.6	18.3	15.7	17.0	17.7	17.0	18.2	19.0	12.7	14.0	15.1	12.4	13.7	14.9	13.1	14.3	15.4
DE	20.1	20.0	19.7	18.5	18.8	18.6	21.6	21.2	20.9	20.1	20.4	21.7	20.7	22.1	21.9	19.5	18.3	21.4
EE	21.8	23.4	21.7	18.9	21.1	21.5	24.3	25.5	22.0	19.4	24.5	24.0	19.8	25.3	24.5	19.1	23.7	23.5
IE	23.7	25.7	:	22.7	25.0	:	24.7	26.4	:	26.6	31.4	:	26.6	31.4	:	26.7	31.4	:
EL	28.2	27.6	27.7	26.4	26.1	26.0	29.8	29.0	29.3	28.7	30.0	28.7	28.5	29.2	26.5	29.0	30.8	31.0
ES	22.9	23.4	25.5	21.6	22.3	24.9	24.2	24.4	26.1	26.3	26.2	29.8	25.7	25.4	28.9	26.9	27.1	30.7
FR	18.6	18.4	19.3	17.5	17.2	18.5	19.7	19.5	20.0	21.8	21.5	23.0	21.6	20.8	23.3	21.9	22.3	22.7
IT	25.3	24.7	24.5	23.2	22.8	22.6	27.2	26.4	26.3	29.1	28.8	28.9	28.6	28.4	28.1	29.7	29.3	29.6
CY	22.2	22.2	:	19.7	20.2	:	24.6	24.2	:	18.8	17.6	:	18.8	19.2	:	18.8	15.8	:
LV	33.8	37.4	38.1	31.0	35.9	37.6	36.2	38.7	38.5	33.2	38.0	42.0	34.0	39.5	42.9	32.3	36.5	41.0

LT	27.6	29.5	33.4	25.3	27.3	32.9	29.7	31.4	33.8	29.4	31.0	34.3	31.0	30.4	31.9	27.7	31.6	36.9
LU	15.5	17.8	17.1	14.2	16.0	16.5	16.7	19.6	17.7	20.9	23.7	22.3	19.4	22.8	23.5	22.5	24.6	21.1
HU	28.2	29.6	29.9	27.3	29.1	29.4	29.0	30.0	30.3	33.4	37.2	38.7	33.0	36.8	39.4	33.9	37.5	37.9
MT	19.6	20.2	20.6	18.2	19.0	19.7	21.0	21.4	21.5	23.5	25.5	24.4	23.6	26.9	25.6	23.4	24.0	23.2
NL	14.9	15.1	15.1	14.3	14.3	14.1	15.5	15.9	16.0	15.5	17.5	16.9	15.6	16.8	17.6	15.4	18.2	16.2
AT	18.6	17.0	16.6	16.8	15.0	14.7	20.3	18.9	18.4	20.4	17.5	18.8	18.9	16.3	18.8	22.1	18.7	18.8
PL	30.5	27.8	27.8	29.9	27.0	27.0	31.2	28.6	28.5	32.9	31.0	30.8	32.6	30.7	30.4	33.2	31.3	31.1
PT	26.0	24.9	25.3	25.0	24.0	24.8	26.8	25.8	25.8	29.5	28.7	28.7	31.2	28.8	31.7	27.8	28.7	25.4
RO	44.2	43.1	41.4	43.0	41.9	40.8	45.3	44.2	42.1	51.2	52.0	48.7	49.8	50.3	47.3	52.7	53.8	50.1
SI	18.5	17.1	18.3	16.6	15.1	16.5	20.3	19.1	20.1	15.3	15.1	15.2	14.2	14.9	15.7	16.5	15.3	14.7
SK	20.6	19.6	20.6	18.9	18.0	19.6	22.0	21.1	21.6	24.3	23.7	25.3	23.5	22.0	23.9	25.2	25.8	27.0
FI	17.4	16.9	16.9	15.9	15.8	16.0	18.9	17.9	17.7	15.1	14.0	14.2	14.9	14.5	13.5	15.3	13.6	15.0
SE	14.9	15.9	15.0	13.7	14.4	13.4	16.1	17.5	16.6	14.6	15.1	14.5	14.4	14.9	14.1	14.9	15.2	14.9
UK	23.2	22.0	23.1	21.7	21.1	22.1	24.7	22.8	24.2	29.6	27.4	29.7	30.0	26.3	30.4	29.1	28.6	28.9

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 3. At risk of poverty or social exclusion (in%), 2008-2010 (working age population and elderly)

	18-64									65 years or over								
	Total			Males			Females			Total			Males			Females		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	22.9	22.6	23.3	21.4	21.4	22.3	24.3	23.8	24.3	23.2	21.7	19.8	19.6	18.3	16.2	26.0	24.2	22.6
BE	20.1	19.3	20.0	17.9	17.5	19.1	22.2	21.2	20.9	22.9	23.1	21.0	21.3	21.2	20.1	24.1	24.6	21.6
BG	39.5	40.6	36.9	38.0	39.0	36.3	40.9	42.2	37.6	65.5	66.0	55.9	63.7	61.9	50.0	66.8	68.8	60.0
CZ	15.0	13.7	14.1	12.7	11.8	12.4	17.3	15.5	15.8	12.5	11.7	10.1	7.5	6.7	5.3	16.1	15.3	13.7
DK	17.1	18.1	19.5	16.6	17.7	18.7	17.6	18.5	20.3	18.6	20.6	18.4	17.2	18.9	17.6	19.6	21.9	19.1
DE	21.5	21.1	20.8	19.7	19.3	19.4	23.1	22.8	22.1	15.5	16.0	14.8	12.6	13.8	12.6	18.2	18.0	16.8
EE	17.5	19.9	21.8	17.4	19.8	22.5	17.6	20.0	21.2	40.9	35.6	19.0	26.0	20.7	10.5	48.3	42.9	23.1
IE	22.6	24.8	:	21.6	23.8	:	23.6	25.8	:	22.5	17.9	:	18.6	16.0	:	25.7	19.5	:

EL	28.0	27.1	27.7	26.3	25.5	26.6	29.7	28.7	28.8	28.3	26.8	26.7	24.8	24.9	22.9	31.1	28.4	29.8
ES	20.7	21.9	25.1	19.6	21.1	24.7	21.8	22.7	25.5	28.2	26.1	22.6	25.5	23.5	20.5	30.2	28.0	24.1
FR	19.0	18.9	20.0	17.4	17.3	18.7	20.5	20.4	21.1	13.2	12.3	12.0	11.5	10.8	10.1	14.5	13.4	13.4
IT	24.5	24.1	24.7	22.5	22.4	23.0	26.4	25.9	26.3	24.4	22.8	20.3	20.1	18.5	15.5	27.5	25.9	23.7
CY	18.0	18.5	:	15.7	16.2	:	20.2	20.7	:	50.7	50.1	:	44.5	44.8	:	56.0	54.6	:
LV	28.1	32.8	37.0	26.6	32.8	37.3	29.4	32.8	36.7	58.1	55.5	37.7	52.3	48.5	29.5	60.9	58.7	41.6
LT	24.5	27.5	34.0	23.3	27.0	34.6	25.7	28.0	33.4	38.1	35.8	30.0	25.8	23.4	24.7	44.4	42.2	32.6
LU	15.8	18.2	17.5	14.3	15.8	16.0	17.3	20.6	19.1	5.4	6.2	6.1	4.6	4.2	5.5	6.0	7.7	6.5
HU	29.1	30.2	30.5	27.8	29.4	29.5	30.3	30.9	31.3	17.5	17.5	16.8	13.8	13.9	12.1	19.5	19.6	19.5
MT	17.0	17.9	19.1	15.1	15.7	17.3	19.0	20.3	21.0	26.4	23.2	21.9	26.5	23.7	22.7	26.4	22.9	21.4
NL	15.8	15.9	16.5	14.6	14.6	14.6	17.1	17.2	18.4	9.7	8.1	6.2	10.1	8.3	5.6	9.5	7.9	6.7
AT	18.4	17.1	16.1	16.9	15.4	14.3	19.9	18.7	17.9	17.3	16.4	15.8	13.7	11.6	11.0	19.9	19.9	19.4
PL	30.6	27.3	27.6	30.3	26.9	27.3	30.9	27.8	28.0	26.9	25.8	24.4	21.8	20.6	18.4	29.9	28.9	28.0
PT	24.5	23.5	24.1	23.3	22.9	23.4	25.6	24.1	24.8	27.7	26.0	26.1	24.6	22.5	22.3	29.9	28.5	28.9
RO	41.0	40.5	39.7	40.4	40.1	39.9	41.5	40.9	39.6	49.2	43.1	39.9	45.7	37.9	35.2	51.6	46.7	43.1
SI	18.0	16.2	18.1	17.6	15.2	17.3	18.4	17.3	19.0	24.4	23.3	22.8	15.0	14.9	12.5	30.5	28.7	29.5
SK	19.3	18.5	20.2	18.2	17.5	19.5	20.3	19.5	20.9	21.9	19.7	16.7	15.7	13.5	12.3	25.6	23.7	19.5
FI	16.5	16.2	17.1	16.3	16.8	17.6	16.7	15.6	16.5	23.9	23.1	19.5	15.9	13.5	12.7	29.5	29.8	24.3
SE	14.8	15.6	15.0	14.4	15.2	14.5	15.2	16.1	15.4	15.5	18.0	15.9	9.0	10.4	8.2	20.4	24.0	22.1
UK	19.7	19.8	21.2	17.8	19.2	20.0	21.6	20.4	22.3	28.5	23.1	22.3	25.4	20.9	18.5	30.9	24.9	25.5

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 4. At risk of poverty rate (after social transfers) (in %), 2008-2010 (total population and children)

	Total									Children (<18 years)								
	Total			Males			Females			Total			Males			Females		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	16.4	16.3	16.4	15.5	15.4	15.7	17.4	17.1	17.1	20.2	19.9	20.6	19.9	19.6	20.4	20.4	20.3	20.8
BE	14.7	14.6	14.6	13.6	13.4	13.9	15.9	15.7	15.2	17.2	16.6	18.3	16.7	15.9	17.5	17.6	17.4	19.0

BG	21.4	21.8	20.7	19.8	19.8	19.0	22.9	23.7	22.3	25.5	24.9	26.8	27.0	25.9	26.4	24.0	23.8	27.1
CZ	9.0	8.6	9.0	8.0	7.5	8.0	10.1	9.5	10.0	13.2	13.3	14.3	13.7	13.8	14.3	12.6	12.8	14.3
DK	11.8	13.1	13.3	11.7	12.8	13.1	12.0	13.4	13.4	9.1	10.6	10.9	9.4	10.0	10.9	8.7	11.1	10.9
DE	15.2	15.5	15.6	14.2	14.7	14.9	16.2	16.3	16.4	15.2	15.0	17.5	15.5	15.9	17.9	14.8	13.8	17.2
EE	19.5	19.7	15.8	16.5	17.5	15.4	22.0	21.6	16.2	17.1	20.6	17.3	17.7	21.9	17.4	16.5	19.2	17.3
IE	15.5	15.0	:	14.5	14.9	:	16.4	15.1	:	18.0	18.8	:	18.0	19.2	:	18.0	18.4	:
EL	20.3	19.7	20.1	19.9	19.1	19.3	20.8	20.2	20.9	23.0	23.7	23.0	23.6	23.5	21.6	22.4	24.0	24.4
ES	19.6	19.5	20.7	18.3	18.3	20.1	21.0	20.6	21.3	24.4	23.7	26.2	23.6	22.6	25.3	25.3	24.8	27.1
FR	12.7	12.9	13.5	11.9	12.0	12.8	13.4	13.7	14.1	16.5	17.3	18.4	15.9	16.0	18.0	17.1	18.6	18.8
IT	18.7	18.4	18.2	17.1	17.0	16.8	20.1	19.8	19.5	24.7	24.4	24.7	24.7	24.2	24.0	24.8	24.6	25.5
CY	16.2	16.2	:	14.0	14.4	:	18.3	17.9	:	13.6	12.0	:	13.4	12.9	:	13.9	11.1	:
LV	25.6	25.7	21.3	23.1	24.2	21.7	27.7	27.0	21.0	24.6	25.7	26.6	25.1	26.6	28.5	24.2	24.9	24.5
LT	20.0	20.6	20.2	17.6	19.1	20.7	22.0	21.9	19.8	22.8	23.7	23.3	22.7	24.2	22.4	22.9	23.1	24.2
LU	13.4	14.9	14.5	12.5	13.8	14.6	14.3	16.0	14.4	19.8	22.3	21.4	18.5	21.4	22.6	21.3	23.4	20.1
HU	12.4	12.4	12.3	12.4	12.8	12.6	12.4	12.1	12.0	19.7	20.6	20.3	19.7	21.4	20.9	19.7	19.8	19.7
MT	15.0	15.3	15.5	13.6	14.7	15.0	16.4	15.9	16.0	19.3	20.9	20.4	18.3	21.8	21.2	20.3	19.9	19.6
NL	10.5	11.1	10.3	10.5	10.8	9.7	10.4	11.3	10.8	12.9	15.4	13.7	13.4	15.1	13.9	12.3	15.7	13.5
AT	12.4	12.0	12.1	11.2	10.7	10.7	13.5	13.2	13.5	14.9	13.4	14.3	14.1	12.8	13.6	15.7	14.0	14.9
PL	16.9	17.1	17.6	17.0	16.9	17.4	16.7	17.4	17.7	22.4	23.0	22.5	21.9	23.0	22.5	23.0	23.1	22.4
PT	18.5	17.9	17.9	17.9	17.3	17.3	19.1	18.4	18.4	22.8	22.9	22.4	25.4	23.6	24.9	20.0	22.2	19.8
RO	23.4	22.4	21.1	22.4	21.4	20.7	24.3	23.4	21.4	32.9	32.9	31.3	32.0	30.8	30.2	33.9	35.2	32.4
SI	12.3	11.3	12.7	11.0	9.8	11.3	13.6	12.8	14.1	11.6	11.2	12.6	10.7	11.0	13.3	12.5	11.4	11.9
SK	10.9	11.0	12.0	10.1	10.1	11.7	11.5	11.8	12.2	16.7	16.8	18.8	16.3	15.3	17.7	17.2	18.6	20.2
FI	13.6	13.8	13.1	12.7	12.9	12.4	14.5	14.7	13.8	12.0	12.1	11.4	11.4	12.5	10.6	12.5	11.7	12.3
SE	12.2	13.3	12.9	11.3	12.0	11.4	13.0	14.5	14.3	12.9	13.1	13.1	12.8	13.3	12.7	13.1	12.8	13.6
UK	18.7	17.3	17.1	17.4	16.7	16.4	20.0	17.8	17.8	24.0	20.7	20.3	23.2	20.2	20.8	24.8	21.3	19.8

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 5. At risk of poverty rate (after social transfers) (in %), 2008-2010 (working age population and elderly)

	18-64									65 years or over								
	Total			Males			Females			Total			Males			Females		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	14.7	14.8	15.3	14.0	14.2	14.8	15.4	15.3	15.7	18.9	17.8	15.9	15.9	14.9	12.9	21.2	20.1	18.2
BE	12.2	12.1	12.1	11.0	11.0	11.7	13.5	13.2	12.6	21.2	21.6	19.4	20.1	20.6	18.7	22.0	22.3	20.0
BG	17.0	16.4	16.0	16.3	15.5	15.7	17.7	17.2	16.3	33.8	39.3	32.2	26.8	32.0	24.9	38.6	44.2	37.2
CZ	8.3	7.6	8.1	7.2	6.6	7.3	9.4	8.5	8.8	7.4	7.2	6.8	3.3	3.0	2.1	10.2	10.3	10.3
DK	11.3	12.2	12.9	11.3	12.5	13.1	11.2	11.9	12.8	18.1	20.1	17.7	17.0	18.5	16.8	18.9	21.3	18.5
DE	15.4	15.8	15.6	14.5	14.9	14.9	16.1	16.7	16.3	14.9	15.0	14.1	12.0	12.9	12.1	17.4	17.0	15.9
EE	15.0	15.8	15.6	14.6	15.9	16.1	15.3	15.7	15.1	39.0	33.9	15.1	24.6	18.9	8.0	46.1	41.3	18.6
IE	13.4	13.2	:	12.5	13.2	:	14.4	13.2	:	21.1	16.2	:	17.7	14.4	:	23.7	17.6	:
EL	19.0	18.1	19.0	18.5	17.5	18.9	19.5	18.7	19.2	22.5	21.4	21.3	21.0	20.9	18.8	23.8	21.9	23.3
ES	16.4	16.9	19.0	15.5	16.3	18.7	17.4	17.6	19.3	27.4	25.2	21.7	24.7	22.6	19.9	29.4	27.1	23.1
FR	11.8	11.9	12.8	11.0	11.2	12.0	12.6	12.6	13.5	11.0	10.7	9.7	9.9	9.1	8.0	11.9	11.9	10.8
IT	16.3	16.4	16.9	14.9	15.2	15.9	17.6	17.6	17.9	20.9	19.6	16.6	17.1	15.8	12.6	23.6	22.4	19.5
CY	11.1	11.5	:	9.4	9.8	:	12.8	13.1	:	48.3	48.6	:	42.5	44.1	:	53.3	52.4	:
LV	19.6	20.3	20.5	18.9	20.8	21.1	20.3	19.9	19.8	51.2	47.5	18.8	45.3	40.6	12.9	54.0	50.7	21.6
LT	16.8	18.5	21.8	16.0	18.4	22.3	17.4	18.6	21.3	29.5	25.2	10.2	16.8	13.2	8.1	35.9	31.3	11.2
LU	12.9	14.2	13.9	12.0	12.9	13.4	13.9	15.4	14.4	5.4	6.0	5.9	4.6	3.9	5.5	6.0	7.7	6.3
HU	12.0	11.9	11.9	11.7	11.9	11.8	12.2	11.9	12.1	4.3	4.6	4.1	2.7	3.1	2.8	5.2	5.4	4.8
MT	11.8	12.5	13.3	10.1	11.2	12.1	13.4	13.8	14.6	24.7	20.9	18.8	25.6	22.0	20.4	24.1	20.0	17.5
NL	9.9	10.3	10.1	9.7	9.9	9.1	10.1	10.7	11.1	9.4	7.7	5.9	9.6	8.0	5.5	9.2	7.5	6.3
AT	10.9	10.8	10.7	10.2	10.1	9.9	11.6	11.4	11.5	15.0	15.1	15.2	11.7	10.7	10.4	17.3	18.4	18.7
PL	16.3	16.0	16.9	16.8	16.0	17.1	15.8	16.0	16.7	11.7	14.4	14.2	8.9	10.9	9.9	13.4	16.5	16.8
PT	16.3	15.8	15.7	15.4	15.2	15.0	17.1	16.3	16.4	22.3	20.1	21.0	19.2	17.7	17.5	24.5	21.8	23.5
RO	20.0	19.8	19.2	19.9	19.9	19.8	20.1	19.6	18.6	26.0	21.0	16.7	20.7	14.7	10.9	29.7	25.3	20.7
SI	10.5	9.2	11.0	10.9	9.1	11.0	9.9	9.4	10.9	21.3	20.0	20.2	11.7	11.4	9.5	27.5	25.5	27.1
SK	9.5	9.6	11.2	9.4	9.5	11.4	9.7	9.7	11.1	9.9	10.8	7.7	3.8	4.5	3.9	13.4	14.8	10.1

FI	11.8	12.2	12.3	12.5	13.0	13.1	11.1	11.4	11.5	22.5	22.1	18.3	15.5	13.1	12.2	27.4	28.4	22.7
SE	11.2	12.1	11.9	11.4	12.0	11.8	11.0	12.1	12.1	15.0	17.7	15.5	8.8	10.4	7.8	19.7	23.6	21.6
UK	14.7	14.8	14.9	13.7	14.7	14.5	15.7	14.9	15.3	27.3	22.3	21.4	24.4	20.0	17.6	29.7	24.1	24.5

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 6. At risk of poverty thresholds (60% of median equivalised income), in pps, 2008-2010

	Single person			2 adults with 2 children younger than 14 years		
	2008	2009	2010	2008	2009	2010
BE	10046	10494	10302	21096	22038	21635
BG	2859	3451	3642	6004	7247	7648
CZ	5835	6062	6048	12254	12731	12702
DK	10561	10750	10626	22177	22575	22315
DE	10804	10772	10657	22689	22622	22379
EE	4538	4794	4485	9530	10068	9419
IE	10901	10556	:	22893	22167	:
EL	7219	7575	7437	15160	15908	15618
ES	8369	8384	7995	17575	17607	16791
FR	10543	10591	10531	22140	22241	22116
IT	9157	9119	9068	19231	19150	19043
CY	11451	11781	:	24047	24741	:
LV	4354	4394	3703	9144	9227	7775
LT	4170	4382	3676	8756	9202	7720
LU	16166	16221	16022	33948	34065	33647
HU	3958	4102	3960	8312	8614	8316
MT	7994	8270	7860	16788	17368	16507
NL	11485	11536	11169	24119	24226	23454
AT	11124	11315	11498	23359	23761	24145

PL	4039	4426	4567	8482	9294	9591
PT	5702	5644	5872	11974	11853	12331
RO	1838	2065	2115	3860	4337	4441
SI	8287	8646	8345	17403	18157	17525
SK	4058	4711	5067	8521	9894	10641
FI	9933	10366	10212	20860	21769	21445
SE	10680	11258	10980	22427	23642	23059
UK	11126	10250	10237	23364	21526	21498

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 7. Median equivalised net income (in pps), 2008-2010

	2008	2009	2010
BE	16743	17491	17171
BG	4765	5751	6070
CZ	9725	10104	10081
DK	17601	17917	17710
DE	18007	17954	17761
EE	7563	7990	7476
IE	18169	17593	:
EL	11987	12626	12395
ES	13949	13974	13326
FR	17571 b	17651	17552
IT	15262	15198	15113
CY	19085	19636	:
LV	7257	7323	6171
LT	6949	7304	6127
LU	26943	27036	26704

HU	6597	6836	6600
MT	13324	13784	13101
NL	19142	19227	18614
AT	18539	18858	19163
PL	6732	7376	7612
PT	9504	9407	9786
RO	3064	3442	3525
SI	13812	14410	13909
SK	6763	7852	8445
FI	16556	17277	17020
SE	17799	18763	18301
UK	18543	17084	17062

Source: Eurostat
Extraction date: 04.12.2011

Table 8. At-risk-of-poverty rate anchored at a fixed moment in time (2005), 2006- 2010

	Total					Males					Females				
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010
EU15	16.2	14.9	13.4	13.2	13.6	15.3	14.1	12.6	12.5	13.0	17.1	15.7	14.2	13.8	14.2
BE	13.2	13.3	13.7	10.6	11.1	12.5	12.7	12.6	9.9	10.7	13.9	14.0	14.7	11.3	11.6
CZ	8.7	7.2	6.0	4.6	5.1	8.1	6.8	5.8	4.4	5.0	9.3	7.7	6.2	4.7	5.2
DK	11.3	10.8	11.2	11.1	11.6	11.0	10.4	11.0	11.0	11.9	11.6	11.2	11.4	11.2	11.3
DE	15.7	14.1	13.4	13.5	13.3	14.9	13.2	12.6	12.9	12.7	16.5	15.0	14.2	14.1	13.9
EE	11.9	7.8	5.3	3.7	5.2	11.6	7.7	5.6	4.5	5.9	12.2	7.9	5.0	2.9	4.6
IE	17	12	9.9	9.9	:	16	11.3	9.7	9.7	:	18.1	12.7	10.1	10.0	:
EL	20.0	19.1	18.6	16.4	16.0	19.1	18.2	18.2	15.9	15.5	20.9	19.8	19.0	16.8	16.5
ES	18.6	16.0	14.4	13.8	16.4	17.6	15.0	13.9	13.4	16.1	19.5	16.9	15.0	14.2	16.6
FR	13.2	13.3	:	:	:	12.3	13.0	:	:	:	14.1	13.6	:	:	:

IT	20.0	19.7	18.3	18.3	18.0	18.3	18.2	16.8	16.9	16.7	21.5	21.1	19.7	19.7	19.3
CY	12.4	10.2	9.1	8.6	:	10.3	8.6	7.6	7.1	:	14.5	11.7	10.6	10.0	:
LV	18.3	10.1	6.7	5.9	8.1	17.4	10.1	6.5	6.5	9.4	19.0	10.1	6.9	5.4	7.0
LT	13.5	7.6	5.2	4.6	9.5	13.4	7.4	5.2	5.3	10.8	13.5	7.7	5.2	4.0	8.3
LU	13.7	13.7	13.8	13.8	14.2	13.4	13.2	13.0	12.8	14.4	14.1	14.3	14.6	14.8	14.1
HU	13.5	10.3	9.5	8.7	10.2	13.9	10.5	9.6	9.0	10.6	13.2	10.2	9.4	8.4	9.8
MT	10.5	9.7	9.7	7.5	8.7	10.2	9.5	9.2	7.0	8.6	10.9	10.0	10.1	7.9	8.7
NL	9.8	9.0	7.7	8.0	6.9	9.6	8.5	7.6	7.9	6.5	10.0	9.5	7.7	8.1	7.3
AT	13.3	13.3	12.8	10.9	11.0	11.8	11.8	11.6	9.8	9.7	14.8	14.8	14.0	12.1	12.2
PL	16.0	12.5	8.3	7.0	6.3	16.7	12.9	8.6	7.2	6.7	15.3	12.2	8.0	6.7	6.0
PT	19.4	18.4	17.0	15.0	14.1	18.6	17.5	16.5	14.4	13.8	20.2	19.3	17.6	15.5	14.3
SI	10.6	9.7	9.1	6.7	8.3	9.2	8.4	8.1	5.7	7.4	11.9	10.9	10.0	7.6	9.3
SK	10.1	6.2	4.8	2.4	2.6	10.3	6.4	4.9	2.6	2.8	9.9	5.9	4.7	2.3	2.5
FI	11.0	11.0	10.9	9.4	8.5	10.6	10.4	10.5	8.8	8.2	11.5	11.6	11.3	10.0	8.8
SE	11.4	8.9	8.2	8.0	7.3	11.6	9.2	8.2	8.0	7.1	11.2	8.6	8.2	8.1	7.5
UK	18.0	15.1	14.8	15.8	16.8	17.1	14.4	13.8	15.2	16.1	18.8	15.9	15.7	16.4	17.4

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 9. Percentage change in Real Gross Disposable Income of Households (2007-2009), and changes in the levels of household disposable

In % of base year	Change in GDHI (National Accounts)	Change in the level of disposable income at different points of the distribution (EU-SILC)					
	2007-2009	2007-2009 (income reference year using SILC 2008 and 2010)			2008-2009 (income reference year using SILC 2009 and 2010)		
EU-27	1.9						
RO	9.2	44.2	32.6	25.8	15.5	8.5	7.8
PL	8.1	19.6	21.3	17.4	6.1	6.5	6.9
SK	7.5	15.6	18.3	26.5	5.5	7.9	7.6
CY	5.3						
SE	5.1	7.4	10.0	10.3	2.9	2.4	1.6
PT	5.0	8.6	6.6	1.5	5.5	4.8	3.0
ES	4.0	-11.4	0.6	4.5	-8.9	-2.0	0.7
BE	3.7	8.3	8.2	9.3	0.7	0.8	2.4
FI	3.2	9.5	7.9	5.3	3.5	1.8	0.8
IE	2.9	8.6	1.7	-3.7	-2.0	-2.4	-5.1
SI	2.7	7.1	7.7	9.1	-4.5	-1.1	1.9
UK	2.3	4.3	0.1	1.8	-0.9	-3.9	-4.7
CZ	2.0	11.6	10.8	11.9	1.5	2.5	3.9
FR	1.7	2.9	5.6	5.6	-1.3	1.4	1.7
EL	0.7	13.6	11.2	8.4	4.2	4.1	3.4
DE	0.4	2.6	2.7	1.5	1.2	1.1	1.3
AT	0.3	8.0	8.5	10.1	2.4	3.7	6.6
LU	0.0	1.4	4.6	3.1	3.6	1.8	-1.4
NL	-0.6	4.6	3.9	2.0	3.1	0.7	-0.3
DK	-0.8	2.3	6.1	7.9	1.2	2.3	4.9
LT	-1.8	-11.9	-2.6	11.4	-25.3	-15.7	-10.8
IT	-4.0	1.9	1.9	3.9	1.0	1.9	1.0
HU	-7.2	6.6	7.5	5.5	0.4	-0.3	-1.4
EE	-7.5	9.2	3.2	8.7	-5.6	-7.8	-5.3
LV	-16.7	0.7	-5.4	-5.0	-11.4	-16.7	-15.1
BG		34.4	38.9	29.5	5.1	6.7	2.9
MT		5.8	4.0	7.3	-3.0	-1.8	-0.6

Sources: Eurostat, National Accounts and EU-SILC (ilc_di01). P10, P50 and P90 correspond to the level of income under which 10% (respectively 50% or 90%) of the population lives. The figures presented in this table refer to the evolution of these values expressed in national currencies over time.

Reading note: Between 2008 and 2009, the income level under which 10% of the Belgian population lives increased by 0.7%

Source: European Commission (2011). *Employment and Social Developments in Europe*.

Table 10. Severe material deprivation rate (in %), 2008-2010 (total population and children)

	Total									Children (<18 years)								
	Total			Males			Females			Total			Males			Females		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	8.4	8.1	8.1	8.1	7.8	7.9	8.8	8.3	8.3	9.7	9.3	9.5	9.7	9.4	9.5	9.7	9.3	9.5
BE	5.6	5.2	5.9	5.2	4.9	5.7	6.0	5.5	6.0	7.3	6.5	7.7	7.6	6.4	6.7	7.0	6.7	8.8
BG	41.2	41.9	35.0	39.6	40.1	33.8	42.8	43.5	36.0	40.8	43.6	37.4	42.1	45.5	37.3	39.3	41.4	37.4
CZ	6.8	6.1	6.2	6.3	5.8	5.8	7.3	6.5	6.5	8.3	7.4	8.6	8.4	7.6	8.6	8.3	7.3	8.6
DK	2.0	2.3	2.7	1.5	2.2	2.8	2.4	2.4	2.5	2.5	2.1	3.1	1.7	1.9	3.2	3.4	2.4	3.1
DE	5.5	5.4	4.5	5.3	5.3	4.4	5.6	5.4	4.7	6.9	7.1	5.2	7.5	8.3	5.2	6.1	5.6	5.2
EE	4.9	6.2	9.0	4.8	6.2	9.3	4.9	6.3	8.7	5.3	7.0	10.7	4.7	6.9	11.9	5.9	7.1	9.4
IE	5.5	6.1	:	5.2	5.5	:	5.7	6.8	:	6.7	8.4	:	6.4	7.3	:	7.0	9.5	:
EL	11.2	11.0	11.6	10.1	10.2	10.9	12.2	11.7	12.2	10.4	12.2	12.2	10.2	11.8	11.5	10.7	12.6	13.0
ES	2.5	3.5	4.0	2.6	3.5	3.8	2.5	3.4	4.1	3.2	4.6	5.6	2.8	5.0	5.5	3.6	4.2	5.7
FR	5.4	5.6	5.8	5.1	5.2	5.7	5.7	5.9	5.8	6.6	6.5	7.0	6.8	6.7	7.5	6.4	6.2	6.5
IT	7.5	7.0	6.9	7.2	6.7	6.7	7.8	7.3	7.1	9.3	8.3	8.0	9.0	7.8	7.9	9.7	8.9	8.1
CY	8.2	7.9	:	8.0	7.8	:	8.4	7.9	:	8.1	6.9	:	8.2	7.8	:	8.0	6.0	:
LV	19.0	21.9	27.4	17.3	21.3	26.8	20.4	22.5	27.9	19.8	24.3	30.5	20.3	25.5	30.7	19.4	23.0	30.4
LT	12.3	15.1	19.5	11.7	14.3	19.5	12.9	15.7	19.5	12.3	14.8	19.7	14.1	14.0	19.4	10.4	15.7	20.0
LU	0.7	1.1	0.5	0.6	0.9	0.4	0.7	1.3	0.7	0.9	1.2	0.2	1.0	0.9	0.2	0.8	1.4	0.2
HU	17.9	20.3	21.6	17.3	20.2	21.5	18.4	20.4	21.6	21.5	25.5	28.8	20.8	25.0	29.7	22.2	26.0	27.9
MT	4.0	4.7	5.7	3.8	4.5	5.6	4.2	4.9	5.8	5.6	6.5	6.5	6.1	8.0	7.5	5.0	4.8	5.3
NL	1.5	1.4	2.2	1.5	1.4	2.3	1.6	1.5	2.2	2.2	1.5	2.0	2.5	1.7	2.3	2.0	1.3	1.7
AT	6.4	4.8	4.3	6.0	4.4	3.9	6.7	5.1	4.6	7.3	5.6	5.7	6.7	4.9	6.2	8.0	6.3	5.1
PL	17.7	15.0	14.2	17.6	14.6	14.1	17.9	15.3	14.4	17.5	15.3	14.9	17.7	15.3	15.1	17.3	15.4	14.7
PT	9.7	9.1	9.0	9.5	8.9	9.2	9.9	9.2	8.8	11.8	10.5	10.8	11.5	11.0	12.8	12.2	10.0	8.7
RO	32.9	32.2	31.0	32.4	31.8	30.7	33.4	32.6	31.2	39.2	40.3	36.7	37.1	38.7	34.9	41.3	41.9	38.5
SI	6.7	6.1	5.9	6.4	5.9	5.6	6.9	6.3	6.3	5.2	5.4	5.1	5.0	5.6	5.1	5.5	5.3	5.1

SK	11.8	11.1	11.4	11.1	10.5	11.1	12.3	11.6	11.8	12.6	12.7	13.5	12.4	11.8	13.3	12.9	13.7	13.8
FI	3.5	2.8	2.8	3.2	2.9	2.6	3.8	2.7	3.1	3.1	2.5	2.3	3.6	3.5	2.3	2.5	1.5	2.3
SE	1.4	1.6	1.3	1.3	1.5	1.2	1.6	1.6	1.4	1.7	1.7	1.3	1.4	1.5	1.1	2.1	1.9	1.5
UK	4.5	3.3	4.8	4.3	3.4	4.8	4.8	3.2	4.9	6.5	4.4	7.3	7.1	4.1	7.5	5.8	4.7	7.1

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 11. Severe material deprivation rate (in %), 2008-2010 (working age population and elderly)

	18-64									65 years or over								
	Total			Males			Females			Total			Males			Females		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	8.3	8.1	8.2	8.1	7.9	8.1	8.6	8.3	8.3	7.4	6.7	6.4	6.0	5.5	5.1	8.5	7.6	7.4
BE	5.7	5.3	6.0	5.1	5.1	6.0	6.3	5.6	6.1	3.2	3.1	2.8	2.2	2.2	2.9	3.9	3.7	2.8
BG	36.2	37.1	31.8	34.7	35.6	31.5	37.7	38.5	32.1	61.0	58.4	44.3	59.5	54.3	40.4	62.0	61.2	47.0
CZ	6.5	5.9	6.0	6.0	5.4	5.5	7.0	6.3	6.4	6.4	5.7	4.3	4.7	4.6	3.7	7.5	6.5	4.8
DK	2.0	2.7	2.9	1.6	2.5	3.0	2.5	2.8	2.9	0.9	0.9	0.9	0.8	0.9	1.4	1.0	0.9	0.6
DE	6.1	5.8	5.2	5.9	5.4	5.1	6.3	6.2	5.2	2.1	2.5	2.1	1.5	2.2	1.6	2.8	2.8	2.5
EE	4.5	6.1	9.1	5.0	6.5	9.5	4.0	5.8	8.8	5.8	5.6	6.6	3.9	3.1	3.7	6.7	6.9	8.0
IE	5.6	5.8	:	5.3	5.2	:	5.8	6.4	:	2.2	2.6	:	1.8	2.2	:	2.6	2.9	:
EL	10.4	10.3	11.2	9.8	9.9	11.0	10.9	10.8	11.3	14.8	12.1	12.4	11.1	10.0	9.8	17.7	13.8	14.4
ES	2.6	3.5	4.0	2.7	3.5	3.9	2.5	3.5	4.1	1.7	2.0	2.0	1.6	1.7	1.5	1.8	2.2	2.4
FR	5.5	5.9	6.0	5.0	5.2	5.7	6.1	6.5	6.3	3.3	3.2	3.4	2.5	3.1	3.1	3.9	3.4	3.7
IT	7.3	7.1	6.8	7.2	6.9	6.7	7.4	7.2	6.9	6.7	5.7	6.2	5.6	5.0	5.3	7.5	6.2	7.0
CY	7.8	8.0	:	7.8	7.9	:	7.9	8.1	:	10.3	8.8	:	8.9	7.5	:	11.5	9.9	:
LV	16.5	20.4	26.4	15.3	20.1	26.3	17.6	20.8	26.5	28.2	25.3	27.5	23.6	20.8	22.4	30.4	27.4	29.9
LT	11.3	14.3	18.5	10.8	14.5	19.4	11.9	14.1	17.6	16.5	18.6	23.7	12.2	14.0	20.7	18.7	20.9	25.3
LU	0.7	1.3	0.7	0.6	1.1	0.5	0.8	1.5	0.9	0.0	0.2	0.1	0.0	0.3	0.0	0.0	0.1	0.2
HU	17.6	20.1	21.3	17.1	20.2	21.1	18.1	20.1	21.4	14.4	14.6	14.1	11.8	11.9	10.1	15.9	16.2	16.4
MT	3.7	4.3	5.7	3.4	3.6	5.3	4.1	5.1	6.2	3.0	4.1	4.7	2.0	3.6	4.5	3.8	4.5	5.0
NL	1.6	1.6	2.7	1.4	1.5	2.7	1.7	1.7	2.8	0.4	0.4	0.3	0.6	0.3	0.2	0.3	0.5	0.4

AT	6.6	5.0	4.5	6.4	4.9	3.9	6.8	5.2	5.2	4.4	2.8	2.0	3.4	1.8	1.3	5.1	3.6	2.5
PL	17.2	14.4	13.6	17.5	14.5	14.0	16.9	14.4	13.2	20.8	17.3	16.5	17.6	14.2	12.9	22.8	19.1	18.6
PT	8.9	8.3	8.3	9.1	8.4	8.5	8.8	8.1	8.2	10.1	10.6	9.6	8.6	8.4	7.9	11.3	12.1	10.8
RO	29.8	29.6	29.0	30.1	30.0	29.6	29.4	29.2	28.5	38.9	33.8	32.4	36.8	30.7	29.9	40.3	35.9	34.1
SI	6.9	6.2	6.1	6.9	6.0	5.8	6.9	6.3	6.4	7.4	6.5	6.3	5.7	5.4	5.4	8.4	7.2	6.9
SK	10.8	10.6	11.0	10.5	10.2	10.8	11.1	10.9	11.2	15.3	11.7	11.1	13.1	10.2	9.3	16.5	12.7	12.3
FI	3.7	3.1	3.3	3.4	3.0	3.0	4.0	3.2	3.6	3.2	2.2	1.7	1.4	1.5	1.2	4.4	2.7	2.1
SE	1.5	1.8	1.5	1.5	1.9	1.4	1.5	1.7	1.7	0.8	0.5	0.7	0.4	0.1	0.8	1.1	0.9	0.6
UK	4.7	3.6	5.0	3.9	3.7	4.7	5.4	3.4	5.2	1.4	1.2	1.3	1.3	1.2	1.2	1.6	1.2	1.4

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 12. People living in households with very low work intensity (in %), 2008-2010 (0-59 years)

	0-59 years								
	Total			Males			Females		
	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	9.0	9.0	9.9	8.2	8.3	9.2	9.8	9.8	10.6
BE	11.7	12.3	12.6	10.2	11.0	11.8	13.2	13.6	13.5
BG	8.1	6.9	7.9	7.8	7.0	7.7	8.3	6.8	8.1
CZ	7.2	6.0	6.4	6.2	4.8	5.2	8.2	7.1	7.6
DK	8.3	8.5	10.3	8.2	8.0	9.4	8.3	9.1	11.1
DE	11.6	10.8	11.1	10.8	10.4	10.7	12.3	11.2	11.6
EE	5.3	5.6	8.9	5.9	6.4	9.6	4.7	4.7	8.2
IE	13.6	19.8	:	13.0	18.6	:	14.3	21.0	:
EL	7.4	6.5	7.5	6.0	5.2	6.4	8.8	7.8	8.5
ES	6.2	7.0	9.8	5.7	6.5	9.5	6.7	7.5	10.1
FR	8.8	8.3	9.8	8.0	7.6	9.2	9.5	9.1	10.5
IT	9.8	8.8	10.2	8.3	7.4	8.8	11.3	10.3	11.6
CY	4.1	4.0	:	3.5	3.4	:	4.7	4.5	:
LV	5.1	6.7	12.2	5.5	7.2	13.4	4.8	6.2	11.0
LT	5.1	6.9	9.2	5.1	7.3	9.6	5.0	6.6	8.7
LU	4.7	6.3	5.5	3.8	4.9	4.8	5.5	7.8	6.3
HU	12.0	11.3	11.8	11.1	10.6	11.2	12.8	11.9	12.5
MT	8.2	8.4	8.4	6.5	6.5	6.7	9.9	10.3	10.2
NL	8.1	8.3	8.2	6.9	7.5	7.3	9.3	9.2	9.1
AT	7.8	7.2	7.7	6.6	5.6	6.7	9.0	8.7	8.8
PL	7.9	6.9	7.3	7.3	6.4	6.7	8.6	7.4	8.0
PT	6.3	6.9	8.6	5.8	6.6	8.4	6.8	7.3	8.8
RO	8.2	7.7	6.8	7.2	6.5	6.0	9.2	8.9	7.7
SI	6.7	5.6	6.9	6.2	4.8	6.0	7.3	6.5	8.0
SK	5.2	5.6	7.9	4.5	5.1	7.4	5.9	6.0	8.4

FI	7.3	8.2	9.1	7.2	8.5	9.4	7.5	7.9	8.8
SE	5.4	6.2	5.9	5.0	5.9	5.7	5.8	6.6	6.1
UK	10.4	12.6	13.1	9.7	12.0	12.4	11.1	13.3	13.9

*Source: Eurostat, EU SILC
Date of extraction: 03.01.2012*

Table 13. People living in households with very low work intensity (in %), 2008-2010 (children and working age population)

	Children (< 18 years)									18-59 years								
	Total			Males			Females			Total			Males			Females		
	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010	2008	2009	2010
EU27	7.6	8.0	8.9	7.7	8.0	8.9	7.5	8.0	9.0	9.5	9.4	10.2	8.4	8.4	9.3	10.6	10.3	11.0
BE	8.9	11.0	12.0	7.5	10.4	11.2	10.4	11.6	12.9	12.7	12.8	12.9	11.3	11.3	12.1	14.2	14.3	13.7
BG	9.4	7.5	10.3	10.1	8.1	10.3	8.6	6.9	10.2	7.7	6.7	7.3	7.1	6.7	7.0	8.2	6.8	7.6
CZ	7.6	6.1	7.0	8.1	6.6	6.3	7.1	5.6	7.7	7.1	5.9	6.2	5.5	4.2	4.8	8.6	7.6	7.6
DK	4.3	5.4	7.3	4.3	5.5	7.3	4.2	5.4	7.3	9.8	9.8	11.4	9.8	9.0	10.3	9.9	10.6	12.6
DE	9.0	9.0	8.9	10.2	10.3	9.0	7.7	7.4	8.8	12.3	11.3	11.8	11.1	10.5	11.2	13.5	12.1	12.3
EE	3.8	4.5	8.4	4.0	4.5	7.9	3.5	4.6	8.9	5.8	5.9	9.0	6.6	7.1	10.2	5.0	4.8	8.0
IE	15.0	23.4	:	14.8	22.9	:	15.1	23.9	:	13.0	18.2	:	12.2	16.6	:	13.9	19.8	:
EL	3.9	2.7	3.9	3.2	2.0	2.9	4.5	3.3	4.9	8.4	7.7	8.5	6.8	6.2	7.5	10.1	9.1	9.6
ES	3.5	5.0	8.3	3.6	4.7	7.3	3.4	5.2	9.3	6.9	7.6	10.3	6.3	7.0	10.2	7.7	8.2	10.4
FR	7.4	6.5	8.8	7.5	6.9	9.3	7.3	6.2	8.3	9.3	9.0	10.2	8.2	7.8	9.1	10.3	10.1	11.3
IT	6.5	5.8	7.3	6.2	5.2	7.0	6.8	6.4	7.6	10.8	9.7	11.1	9.0	8.1	9.3	12.6	11.4	12.8
CY	2.9	3.1	:	3.2	3.4	:	2.5	2.8	:	4.6	4.3	:	3.6	3.5	:	5.5	5.1	:
LV	4.4	5.9	12.5	5.2	6.0	14.4	3.6	5.9	10.4	5.4	6.9	12.1	5.6	7.6	13.1	5.2	6.3	11.2
LT	3.6	5.2	5.5	3.8	5.2	4.4	3.4	5.2	6.8	5.5	7.5	10.3	5.6	8.0	11.5	5.5	7.1	9.2
LU	3.1	4.1	3.2	2.8	3.8	3.6	3.6	4.5	2.7	5.2	7.1	6.4	4.2	5.3	5.2	6.2	9.0	7.5
HU	11.1	11.9	13.8	11.3	11.9	14.0	11.0	11.8	13.7	12.3	11.1	11.2	11.0	10.1	10.3	13.4	11.9	12.1
MT	9.2	8.9	8.6	9.4	8.6	8.7	9.0	9.2	8.4	7.8	8.2	8.4	5.5	5.8	6.0	10.2	10.7	10.8
NL	5.1	5.4	5.8	4.4	5.1	5.9	5.8	5.8	5.8	9.2	9.4	9.1	7.9	8.4	7.9	10.6	10.5	10.4
AT	5.8	5.9	6.0	4.7	4.5	5.9	7.0	7.4	6.1	8.4	7.6	8.3	7.2	6.0	7.0	9.7	9.2	9.5
PL	5.0	4.7	4.8	4.8	5.1	5.4	5.3	4.3	4.2	8.9	7.6	8.1	8.1	6.8	7.1	9.6	8.4	9.1
PT	5.8	6.2	7.9	5.7	6.3	8.1	6.0	6.1	7.8	6.5	7.2	8.8	5.9	6.7	8.5	7.1	7.6	9.2
RO	6.3	5.6	4.3	6.0	5.2	3.8	6.5	5.9	4.8	8.8	8.3	7.6	7.6	6.9	6.6	10.0	9.8	8.6
SI	3.7	2.5	3.3	3.4	2.4	3.3	4.0	2.7	3.4	7.6	6.5	8.0	7.1	5.5	6.8	8.3	7.6	9.3

SK	4.4	5.4	8.0	4.5	5.2	7.8	4.3	5.6	8.3	5.4	5.6	7.9	4.5	5.1	7.3	6.3	6.1	8.4
FI	4.9	5.8	5.9	4.5	6.1	5.4	5.3	5.5	6.5	8.3	9.1	10.3	8.2	9.5	11.0	8.3	8.8	9.7
SE	4.0	4.2	4.8	4.2	4.0	4.9	3.9	4.5	4.6	6.0	7.0	6.4	5.3	6.6	6.0	6.7	7.4	6.8
UK	13.8	16.1	17.1	13.6	15.0	17.0	14.0	17.3	17.3	9.1	11.3	11.6	8.1	10.8	10.6	10.1	11.9	12.7

Source: Eurostat, EU SILC
Date of extraction: 03.01.2012

Table 14. In-work at-risk-of-poverty rate (in %)

	Total			Males			Females		
	2008	2009	2008	2009	2010	2010	2008	2009	2010
EU27	8.6	8.4	8.5	9.0	9.0	9.0	8.0	7.7	7.9
BE	4.8	4.6	4.5	4.5	4.6	4.8	5.2	4.7	4.2
BG	7.5	7.4	7.6	7.8	7.7	8.4	7.0	7.1	6.7
CZ	3.6	3.1	3.7	3.2	2.9	3.7	4.2	3.4	3.6
DK	5.1	5.9	6.6	5.7	7.1	7.3	4.4	4.5	5.9
DE	7.1	6.8	7.2	6.5	6.3	6.4	7.8	7.5	8.2
EE	7.3	8.1	6.4	6.0	6.5	4.9	8.6	9.7	7.8
IE	6.5	5.4	:	7.1	6.1	:	5.7	4.4	:
EL	14.3	13.8	13.8	15.8	16.1	16.4	12.1	10.6	10.2
ES	10.7	11.4	12.7	11.7	12.5	14.0	9.2	9.9	11.1
FR	6.8	6.7	6.6	7.1	7.2	6.9	6.4	6.1	6.3
IT	8.9	10.2	9.4	10.5	11.8	10.8	6.4	7.9	7.3
CY	6.4	7.0	:	6.2	6.8	:	6.7	7.3	:
LV	11.0	11.1	9.7	10.6	11.3	9.5	11.4	10.9	9.9
LT	9.4	10.4	12.3	9.2	9.6	10.3	9.5	11.2	14.0
LU	9.4	10.0	10.6	9.2	10.5	10.8	9.6	9.4	10.4
HU	5.8	6.2	5.3	6.8	7.0	6.0	4.5	5.3	4.6
MT	5.0	5.7	5.9	6.3	7.3	7.2	2.2	2.5	3.6
NL	4.8	5.0	5.1	4.8	5.0	5.6	4.7	5.1	4.6
AT	6.4	5.9	4.9	6.4	5.9	5.0	6.3	5.9	4.8
PL	11.5	11.0	11.4	12.4	12.0	12.1	10.4	9.8	10.6
PT	11.8	10.3	9.7	12.2	10.9	10.0	11.3	9.6	9.4
RO	17.7	17.9	17.3	19.3	19.6	19.3	15.5	15.5	14.6
SI	5.1	4.8	5.3	5.5	5.2	6.2	4.5	4.2	4.2
SK	5.8	5.2	5.6	6.2	5.5	5.9	5.4	4.9	5.4
FI	5.1	3.7	3.6	5.3	4.0	3.9	5.0	3.3	3.3

SE	6.8	6.9	6.5	7.2	7.2	6.3	6.3	6.6	6.6
UK	8.5	6.7	6.8	8.0	6.4	6.8	9.0	7.0	6.8

Source: Eurostat, EU-SILC
Extraction date: 20.01.2012

Table 15. In work at-risk-of-poverty rates (in %) by contract type, 2008-2010

	Permanent contract			Temporary contract		
	2008	2009	2010	2008	2009	2010
EU27	5.1	5.1	5.2	13.6	12.8	12.9
BE	2.9	2.6	2.4	11.1	8.7	12.1
BG	5.7	5.1	4.8	15.7	21.8	27.1
CZ	2.4	2.3	2.5	6.4	5.2	4.8
DK	4.2	5.8	5.8	:	:	:
DE	5.8	5.4	5.8	14.8	14.1	15.9
EE	5.8	6.8	5.2	5.4	10.1	7.8
IE	3.3	3.0	:	12.0	2.5	:
EL	5.1	5.7	5.1	15.9	15.0	13.4
ES	4.8	5.2	5.5	13.9	12.6	13.0
FR	4.4	4.3	4.4	13.5	12.8	11.8
IT	5.6	6.8	6.5	15.7	17.7	18.2
CY	5.3	4.9	:	17.6	20.0	:
LV	9.6	8.9	7.9	18.3	15.5	14.9
LT	7.0	7.9	10.4	14.2	20.3	18.7
LU	8.9	9.2	8.9	15.0	18.6	19.6
HU	3.7	4.4	3.9	14.1	16.2	13.7
MT	4.1	4.6	5.0	4.9	4.6	7.3
NL	3.7	3.2	2.9	4.3	7.8	6.9
AT	5.0	5.0	4.0	8.1	9.8	6.9
PL	5.5	5.3	6.0	12.9	11.2	11.8

PT	6.9	5.9	5.0	10.9	12.0	7.5
RO	4.7	4.8	5.2	22.2	9.0	8.7
SI	3.7	4.2	3.7	10.3	6.2	10.3
SK	4.7	3.7	3.2	10.7	7.0	8.8
FI	2.9	2.1	1.9	13.7	6.0	6.9
SE	5.4	4.9	5.3	17.9	21.7	20.8
UK	:	5.2	5.4	:	1.5	6.5

Source: Eurostat, EU-SILC
Extraction date: 04.12.2011

Table 16. In work at-risk-of poverty rates by household type: single persons with dependent children, 2006-2010

	2006	2007	2008	2009	2010
EU27	17.6 s	17.9	20.8	18.7	21.6
BE	9.8	14.3	18.3	14.2	12.4
BG	15.5	26.0	26.9	18.0	21.8
CZ	19.5	15.0	22.4	14.8	16.6
DK	9.1	8.2	7.9	12.9	10.2
DE	17.7	20.7	18.7	20.3	29.6
EE	26.4	27.4	27.7	28.5	22.4
IE	21.3	14.1	26.0	18.0	:
EL	16.3	22.1	20.7	26.1	21.2
ES	23.3	22.7	26.6	25.9	31.9
FR	13.7	13.2	19.3 b	17.8	22.1
IT	18.2	18.6	21.0	20.0	20.2
CY	23.3	22.5	24.1	29.1	:
LV	28.5	23.2	29.3	24.1	23.9
LT	23.3	24.5	39.6	36.2	40.8
LU	39.6	38.8	31.4	41.3	39.5
HU	17.0	17.1	17.9	12.9	11.7

MT	11.4 u	15.3 u	10.5 u	11 u	9.7 u
NL	17.4	22.3	13.3	20.5	16.3
AT	11.7	17.6	15.3	14.4	13.0
PL	12.9	15.6	15.2	15.9	17.1
PT	27.9	19.4	33.5	24.0	26.2
RO	:	26.7 b	26.5	22.5	21.0
SI	12.1	13.0	18.7	21.2	15.0
SK	17.1	20.6	17.1	16.2	15.9
FI	7.6	12.2	14.7	14.0	6.9
SE	26.6	16.7	18.2	18.7	18.4
UK	20.0	19.7	26.6	15.9	18.3

Source: Eurostat, EU SILC
Extraction date: 04.12.2011

Table 17. Youth (15 - 24) employment rate, 2006Q3-2011Q3

	2006Q3	2007Q3	2008Q3	2009Q3	2010Q3	2011Q3
EU27	38,0	38,7	38,6	35,8	35,2	:
BE	27,0	27,5	27,3	25,5	26,9	:
BG	25,4	24,8	27,5	25,1	24,2	:
CZ	27,8	28,6	28,5	26,9	26,4	:
DK	68,1	63,6	68,2	64,2	57,6	58,2
DE	43,2	45,9	46,7	46,3	46,7	:
EE	31,7	36,6	37,7	30,8	28,2	35,2
IE	54,6	54,1	48,5	35,9	31,7	:
EL	24,2	24,4	23,9	23,7	20,6	:
ES	41,6	41,2	37,9	28,7	26,2	23,3
FR	32,4	33,8	33,5	32,3	31,7	:
IT	25,9	25,8	25,1	22,3	20,5	:
CY	38,3	37,5	38,5	33,6	34,7	:

LV	40,0	38,5	39,4	28,9	28,8	:	
LT	24,8	26,4	28,1	20,3	19,8		20,8
LU	23,3	22,4	22,0	28,1	24,0	:	
HU	22,2	21,3	20,8	18,5	18,6	:	
MT	44,8	48,0	46,6	45,3	47,5	:	
NL	67,4	70,4	70,5	68,7	64,3		65,0
AT	57,6	58,0	58,4	56,7	55,8	:	
PL	25,6	27,0	28,4	27,0	27,5	:	
PT	36,2	35,6	34,7	31,6	27,9		28,3
RO	26,0	25,9	26,4	26,1	25,5	:	
SI	39,1	43,0	44,9	41,4	36,5	:	
SK	26,0	27,7	26,0	23,0	20,9	:	
FI	48,1	51,0	48,9	41,7	43,6	:	
SE	46,5	47,9	47,3	41,3	43,7		45,5
UK	55,1	53,8	53,4	48,8	49,5	:	

Source: Eurostat, LFS; Extraction date: 07.12.2011

Table 18. Employment rate (20-64), 2008Q3-2011Q3

	Total				Males				Females			
	2008Q3	2009Q3	2010Q3	2011Q3	2008Q3	2009Q3	2010Q3	2011Q3	2008Q3	2009Q3	2010Q3	2011Q3
EU27	70.7	69.1	68.9	68.9	78.4	75.9	75.6	75.4	63.1	62.3	62.3	62.4
BE	68.0	66.7	67.4	66.9	74.4	73.0	73.5	72.4	61.6	60.4	61.2	61.4
BG	71.7	69.5	66.4	65.4	77.1	74.4	70.2	68.3	66.4	64.6	62.6	62.6
CZ	72.5	70.7	70.8	71.2	82.3	80.0	80.4	80.3	62.5	61.2	60.9	61.8
DK	80.4	78.5	76.6	76.3	85.1	81.6	79.6	79.7	75.6	75.4	73.5	72.9
DE	74.6	74.0	75.3	76.6	81.0	79.6	80.6	81.8	68.1	68.4	69.8	71.4
EE	77.6	69.4	67.9	72.4	81.7	71.8	71.0	75.6	73.9	67.2	65.0	69.5

IE	72.4	66.5	65.0	63.9	80.5	71.4	69.9	68.7	64.2	61.7	60.3	59.2
EL	66.8	66.2	64.1	59.7	80.6	79.2	76.3	70.9	52.9	53.1	51.9	48.4
ES	68.3	63.6	62.8	61.7	78.0	70.7	69.7	67.9	58.4	56.3	55.8	55.5
FR	70.6	69.6	69.5	69.4	75.9	74.3	74.2	74.2	65.5	65.1	65.0	64.8
IT	63.2	61.6	60.9	61.1	75.9	73.9	72.8	73.0	50.6	49.5	49.1	49.4
CY	76.4	75.7	75.7	73.1	85.5	83.6	83.1	80.2	67.6	67.9	68.3	66.0
LV	75.8	65.6	66.3	68.0	80.2	66.9	67.1	69.4	71.8	64.4	65.5	66.7
LT	72.8	67.5	65.2	67.9	76.0	67.1	65.0	68.6	69.8	68.0	65.4	67.2
LU	69.6	70.6	71.6	70.4	78.8	79.5	80.8	78.3	60.0	61.6	62.5	62.2
HU	62.6	60.5	61.0	61.3	69.9	67.0	66.8	67.7	55.6	54.3	55.4	55.2
MT	59.8	58.9	60.3	61.4	78.3	76.9	77.5	78.5	40.5	40.1	42.5	43.6
NL	79.1	78.7	76.9	77.0	85.7	84.9	83.0	82.8	72.4	72.6	70.9	71.2
AT	75.5	75.1	75.5	75.7	82.3	80.8	81.0	81.6	68.9	69.5	70.0	69.9
PL	65.7	65.5	65.3	65.3	73.9	73.4	72.6	73.0	57.9	57.9	58.3	57.7
PT	73.1	70.6	70.4	69.3	79.4	75.6	75.6	74.0	67.1	65.6	65.4	64.7
RO	65.7	65.1	64.6	63.3	72.3	72.4	71.9	70.2	59.1	57.7	57.4	56.4
SI	73.9	72.1	70.0	68.6	78.4	76.0	74.2	72.1	69.0	68.0	65.6	64.9
SK	69.7	66.3	65.0	65.6	78.2	74.6	72.1	73.2	61.2	58.1	57.8	57.9
FI	76.6	74.0	73.9	74.7	79.5	75.5	76.0	76.6	73.6	72.4	71.7	72.7
SE	81.3	78.7	79.7	80.9	84.3	81.2	82.7	83.7	78.2	76.1	76.5	78.0
UK	75.2	73.8	74.0	73.6	81.8	79.5	80.0	79.4	68.7	68.2	68.1	67.9

: - not available

Source: Eurostat; Extraction date: 07.12.2011

Table 19. Youth (less than 25 years) unemployment rate, 2006Q3-2011Q3

	2008Q3	2009Q3	2010Q3	2011Q3	2010Q3	2011Q3
EU27	17,3	15,6	15,9	20,8	20,9	21,6
BE	20,1	18,2	20,0	22,6	21,1	17,5
BG	19,6	17,1	11,5	17,1	22,8	26,9

CZ	17,5	10,0	9,6	17,8	17,9	18,7
DK	7,0	8,4	7,5	11,3	14,4	14,6
DE	13,8	11,7	10,0	11,5	9,6	8,7
EE	11,5	9,8	14,4	29,0	27,7	21,8
IE	8,6	8,6	14,6	25,9	27,7	30,6
EL	24,6	22,6	21,9	25,6	33,4	:
ES	17,6	18,5	25,4	39,9	42,1	47,7
FR	21,9	19,3	19,7	23,7	23,8	23,9
IT	20,4	20,1	21,9	25,9	27,2	:
CY	8,2	10,2	8,5	16,4	15,2	22,7
LV	10,1	13,1	12,8	36,4	33,1	:
LT	10,6	8,1	14,7	32,4	35,3	29,4
LU	15,9	15,6	18,0	16,2	14,2	14,9
HU	19,6	18,0	20,2	27,2	26,2	23,7
MT	16,0	13,4	12,7	14,2	13,0	15,5
NL	7,1	7,2	6,2	8,1	8,7	7,6
AT	8,8	9,4	7,5	10,3	9,1	7,3
PL	28,5	21,0	16,5	22,2	23,9	26,0
PT	20,6 e	19,7e	20,9e	23,5e	28,9e	29,9
RO	21,5	20,3	18,7	21,6	22,1	:
SI	12,0	9,9	10,5	14,6	14,5	13,3
SK	26,2	20,5	18,7	28,4	33,8	31,6
FI	18,6	16,4	16,8	22,6	20,9	20,2
SE	20,8	18,7	20,1	26,6	24,9	22,2
UK	14,3	14,3	15,4	19,8	18,8	:

e – estimated value; :- not available

Source: Eurostat; Extraction date: 07.12.2011

Table 20. Unemployment rate (seasonally adjusted data), 2008Q3-2011Q3

	Total				Males				Females			
	2008 Q3	2009 Q3	2010 Q3	2011 Q3	2008 Q3	2009 Q3	2010 Q3	2011 Q3	2008 Q3	2009 Q3	2010 Q3	2011 Q3
EU27	7,1	9,3	9,6	9,7	6,7	9,4	9,6	9,5	7,6	9,1	9,6	9,9
BE	7,3	8,1	8,3	6,8	6,9	7,8	8,1	6,7	7,8	8,5	8,7	7,0
BG	5,4	7,1	10,3	11,7	5,4	7,3	11,0	12,9	5,4	6,9	9,5	10,4
CZ	4,3	7,3	7,1	6,7	3,4	6,5	6,1	5,7	5,5	8,4	8,4	8,1
DK	3,2	6,2	7,4	7,5	2,7	7,0	7,7	7,4	3,8	5,3	7,0	7,6
DE	7,2	7,9	6,9	5,8	7,0	8,4	7,3	5,9	7,4	7,4	6,3	5,6
EE	6,2	15,0	16,1	11,3	6,8	18,0	17,5	11,4	5,6	12,0	14,7	11,2
IE	6,8	12,5	13,7	14,4	8,0	15,6	16,9	17,5	5,3	8,6	9,8	10,6
EL	7,6	9,7	13,0	:	5,0	7,1	10,4	:	11,3	13,5	16,6	:
ES	11,8	18,6	20,4	22,2	10,8	18,4	20,0	21,8	13,2	18,8	20,9	22,6
FR	7,8	9,6	9,8	9,8	7,3	9,3	9,4	9,2	8,5	10,0	10,2	10,5
IT	6,7	8,0	8,2	:	5,5	7,1	7,4	:	8,5	9,2	9,3	:
CY	3,6	5,7	6,2	7,6	3,1	5,6	6,0	7,5	4,3	5,8	6,4	7,8
LV	7,5	18,7	18,2	:	7,7	22,0	20,8	:	7,2	15,3	15,7	:
LT	6,4	14,3	18,3	15,0	6,8	18,3	21,2	17,1	6,1	10,4	15,5	12,8
LU	5,1	5,1	4,5	4,8	4,4	4,4	3,7	3,6	6,0	5,9	5,4	6,2
HU	7,8	10,5	11,0	10,3	7,7	10,9	11,4	10,1	7,9	10,0	10,7	10,5
MT	6,1	7,0	7,1	6,7	5,8	6,7	6,9	6,7	6,6	7,7	7,3	6,6
NL	3,0	3,9	4,5	4,4	2,7	3,9	4,4	4,4	3,4	3,9	4,6	4,4
AT	3,7	5,0	4,4	3,8	3,5	5,2	4,7	3,7	3,9	4,8	4,1	3,9
PL	7,0	8,5	9,5	9,7	6,2	8,2	9,2	8,9	7,9	8,8	9,9	10,8
PT	8,7 e	11 e	12,2 e	12,6	8 e	11 e	11,7 e	12,3	9,5 e	11 e	12,7 e	13,0
RO	5,7	7,2	7,2	7,5	6,5	8,0	7,8	8,2	4,7	6,1	6,5	6,8

SI	4,3	6,4	7,3	7,9	4,1	6,5	7,3	7,9	4,6	6,4	7,3	7,8
SK	9,0	12,7	14,3	13,4	7,9	12,2	14,2	13,6	10,5	13,3	14,5	13,2
FI	6,4	8,6	8,3	7,8	6,2	9,3	8,9	8,5	6,7	7,8	7,6	7,1
SE	6,2	8,6	8,3	7,3	5,8	9,0	8,3	7,5	6,6	8,1	8,2	7,2
UK	5,8	7,8	7,7	:	6,4	9,0	8,3	:	5,2	6,4	6,9	:

Source: Eurostat, LFS
Extraction date: 07.12.2011

Table 21. Inequality indicators – Gini coefficient, S80/S20 quintile share ratio, 2008-2010

	Gini coefficient				S80/S20 income quintile share ratio		
	2008	2009	2010		2008	2009	2010
EU27	30.7	30.4	30.4	EU27	5.0	4.9	5.0
BE	27.5	26.4	26.6	BE	4.1	3.9	3.9
BG	35.9	33.4	33.2	BG	6.5	5.9	5.9
CZ	24.7	25.1	24.9	CZ	3.4	3.5	3.5
DK	25.1	26.9	26.9	DK	3.6	4.6	4.4
DE	30.2	29.1	29.3	DE	4.8	4.5	4.5
EE	30.9	31.4	31.3	EE	5.0	5.0	5.0
IE	29.9	28.8	:	IE	4.4	4.2	:
EL	33.4	33.1	32.9	EL	5.9	5.8	5.6
ES	31.3	32.3	33.9	ES	5.4	6.0	6.9
FR	29.2	29.8	29.9	FR	4.3	4.4	4.5
IT	31.0	31.5	31.2	IT	5.1	5.2	5.2
CY	28.0	28.4	:	CY	4.1	4.2	:
LV	37.7	37.4	36.1	LV	7.3	7.3	6.9
LT	34.0	35.5	36.9	LT	5.9	6.3	7.3
LU	27.7	29.2	27.9	LU	4.1	4.3	4.1
HU	25.2	24.7	24.1	HU	3.6	3.5	3.4
MT	27.9	27.2	28.4	MT	4.2	4.0	4.3
NL	27.6	27.2	25.5	NL	4.0	4.0	3.7
AT	26.2	25.7	26.1	AT	3.7	3.7	3.7
PL	32.0	31.4	31.1	PL	5.1	5.0	5.0
PT	35.8	35.4	33.7	PT	6.1	6.0	5.6
RO	36.0	34.9	33.3	RO	7.0	6.7	6.0
SI	23.4	22.7	23.8	SI	3.4	3.2	3.4
SK	23.7	24.8	25.9	SK	3.4	3.6	3.8
FI	26.3	25.9	25.4	FI	3.8	3.7	3.6
SE	24.0	24.8	24.1	SE	3.5	3.7	3.5
UK	33.9	32.4	33.0	UK	5.6	5.3	5.4

Source: Eurostat, EU SILC
Date of extraction: 09.12.2011

Annex 5. EU and national 2020 poverty and social exclusion targets

	2020 poverty and social exclusion targets
EU27	reduction by 20 million of the population living in poverty or social exclusion in the EU
BE	reduction by 380,000 of the population living in poverty or social exclusion
BG	reduction by 260,000 of the population living at-risk-of-poverty
CZ	maintaining the number of persons at risk of poverty or social exclusion at the level of 2008 (15.3% of total population) with efforts to reduce it by 30,000
DK	reducing by 22,000 the people living in household with low work intensity
DE	reduction by 330,000 of the long-term unemployed
EE	reduction of the at risk of poverty rate (after social transfers) to 15% (from 17.5% in 2010)
IE	reduction by 186,000 the population living in consistent poverty by 2016
EL	reduction by 450,000 of the population living in poverty or social exclusion
ES	reduction by between 1,400,000 and 1,500,000 of the population living in poverty or social exclusion
FR	Reduction of the anchored at risk of poverty rate by one third for the period 2007-2012 or by 1,600 000 people
IT	reduction by 2,200,000 of the population living in poverty or social exclusion
CY	reduction by 27,000 of the population living in poverty or social exclusion
LV	reduction by 121,000 of the population living in poverty or social exclusion
LT	reduction of 170,000 of the population living in poverty or social exclusion
LU	No target
HU	reduction by 450,000 of the population living in poverty or social exclusion
MT	reduction by 6,560 of the population living in poverty or social exclusion
NL	reduction by 100,000 of the number of people (aged 0 to 64) in a jobless household
AT	reduction by 235,000 of the population living in poverty or social exclusion
PL	reduction by 1,500,000 of the population living in poverty or social exclusion
PT	reduction by 200,000 of the population living in poverty or social exclusion
RO	reduction by 580,000 of the population living in poverty or social exclusion
SI	reduction by 40,000 of the population living in poverty or social exclusion
SK	reduction by 170,000 of the population living in poverty or social exclusion
FI	reduction by 150,000 of the population living in poverty or social exclusion
SE	Reduction of the % of women and men who are not in the labour force (except full-time students), the long-term unemployed or those on long-term sick leave to well under 14% by
UK	Existing numerical targets of the 2010 Child Poverty Act