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Latvian experience on country's harmonisation efforts on poverty statistics

UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

Workshop

on Harmonisation of Poverty Statistics

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Viktors Veretjanovs

Head of Income and Living Conditions Statistics Section

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Structure of the presentation

- Main characteristics of EU-SILC
- Implementation of EU-SILC
- EU-SILC framework
- About EU-SILC in Latvia
- Methodology of variables and indicators
- Data collection
- Data dissemination
- National and international strategies
- Conclusions

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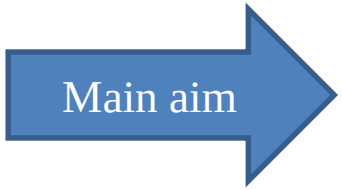
Main characteristics of EU-SILC

EU-SILC is organized under a framework regulation and it is compulsory for all EU Member States.

EU-SILC is based on the idea of a “common framework” in contrast with the concept of a “common survey”.

The common framework is defined by:

- harmonized lists of target primary (annual) and secondary (every four years or less frequently) variables,
- recommended design for implementing EU-SILC,
- common requirements (for imputation, weighting, sampling errors calculation),
- common concepts (household and income) and classifications (ISCO, NACE, ISCED).



To maximise comparability of the information produced by EU Member States.

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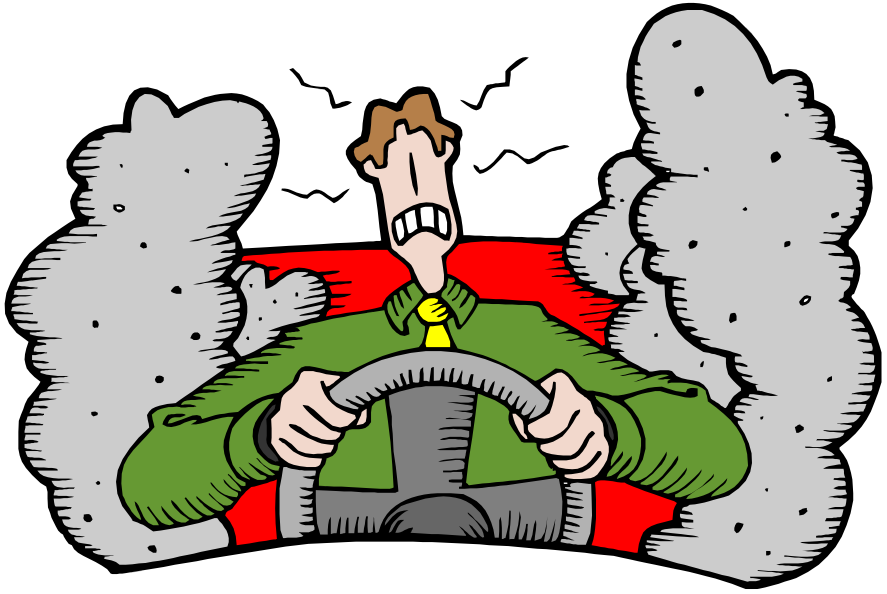
Implementation of EU-SILC (1)

Situation at CSB of Latvia before implementations of EU-SILC:

- Previous experience insufficient
- Knowledge based project with need of innovative methodological solutions to be applied
- Many limitations, restrictions
- We felt necessity for knowledge transfer and technical assistance from EU



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Implementation of EU-SILC (2)

First stages:

- Translations and adaptation of the so called Irish/UK EU-SILC questionnaire
- Seminar for candidate countries in Tallinn organised by Eurostat, June 19th – 20th 2003
- Contract established between CSB and ICON - PHARE STAT 2001 – Income and Living Conditions Statistics, signed 3rd quarter 2003
- Letters sent to Ministry of Finance, Ministry of Welfare, State Social Insurance Agency, later meetings with the relevant persons in these institutions
- 1st and 2nd wave of EU-SILC pilot projects conducted (2004) - 2nd wave to test the follow-up
- Gross income variables collected from 2007

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Implementation of EU-SILC (3)

Appearance of a Transition Facility Project (2003)

Twinning (TW) project with Statistics Finland:

- Elaboration of plan for involvement administrative data sources regarding income components at individual's or household's level into production of social statistics
- Introduction of missing data imputation procedures in social statistics
- Introduction of methods for calculation of imputed rent for owner occupied dwellings in social statistics
- Application of *Blaise* software for electronic data capture
- Purchase of Lap Top PC (for CAPI interviews)
- Study visit to Statistics Finland
- Visit to Statistics Netherlands (about *Blaise* software)

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Implementation of EU-SILC (4)

Challenges and benefits from Twinning project:

- It was not easy challenge for ourselves and experts as well
- We became smarter
- Better cooperation with Mathematical Support Division and IT experts established
- We were no more anxious about EU-SILC
- CAPI was in use

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EU-SILC framework (1)

- All EU-SILC process is covered in the regulations, but at the same time large degree of freedom is provided to countries
- There, of course, are recomended methods and best pratices, but nevertheless countries can chose methods, which are the most appropriate taking account the situation in their country
- Depending on the country, micro-data could come from:
  - one or more national sources (surveys and registers);
  - existing national survey combined or not with a new survey;
  - a new survey to meet all EU-SILC requirements was introduced in LATVIA in 2005.

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EU-SILC framework (2)

The common framework is defined in the legislative background of the EU-SILC survey:

- **Framework regulation**: REGULATION (EC) No 1177/2003 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 June 2003 concerning Community statistics on income and living conditions (EU-SILC)
- **Other EU-SILC regulations**:
  - 2004 enlargement and derogations;
  - definitions;
  - fieldwork and imputation procedures;
  - sampling and tracing rules;
  - list of permanent variables;
  - quality reports;
  - new material deprivation items from 2016 onwards;
  - EU-SILC ad-hoc modules.

☞ http://ec.europa.eu/eurostat/web/income-and-living-conditions/legislation

- **docSILC065 (xxxx operation)** METHODOLOGICAL GUIDLINES AND DESCRIPTION OF EU-SILC TARGET VARIABLES (updated document for each year). Available in the CIRCABC (public access for the group EU-SILC).

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About EU-SILC in Latvia (1)

What challenges EU-SILC survey caused for CSB of Latvia?

- One and the same households must be followed-up for 4 years. It allows to check information using data from previous years.
- Collection of Personal Ids
- Information about wide range of income and taxes must be collected
- Development of cooperation with income registers. Without income registers data it was difficult to collect income variables about previous year
- New methods must be implemented how to recalculate in monetary terms:
    - Non-cash employee income
    - Value of goods produced for own consumption
    - Imputed rent
- Imputation techniques must be implemented for all missing income components
- Forecasting and microsimulations (EUROMOD)

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About EU-SILC in Latvia (2)

What practical benefits of common methodology of EU-SILC survey caused for CSB of Latvia?

- To have internationally comparable database and indicators;
- To use common data checking program developed by Eurostat;
- To use common program for calculation of main indicators (Eurostat, OECD)
- Misunderstandings of published data at different data dissemination platforms (for example, CSB and Eurostat data bases) are almost excluded*
- Easier communication with national and international organizations and scientists (avoid necessity to provide additional explanations) – Ministry of Welfare, OECD, World Bank, EUROMOD etc.

* Reference year: Eurostat release SILC data with the reference to the survey year, CSB of Latvia - with the reference to the income reference year

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About EU-SILC in Latvia (3)

- The reference population: all private households and their current members residing in the territory of Latvia at the time of data collection
- Launched since 2005
- Sample design: stratified two-stage sampling design (1st stage - Population Census counting areas, 2nd stage – addresses)
- Sample unit: households/addresses
- Rotational groups: four (panel survey)
- Fieldwork duration: from 1.02 to 14.02 – CAWI, from March to June – CAPI/CATI
- Modes of data collection: CAPI, CATI, administrative registers (including income) + CAWI (from 2017 onwards)
- Gross sample of the first wave (in the beginning of the survey): 3158 - 3175 addresses (in 2017 - 3174 addresses)
- First wave response rate in the last five years: 51-57% (in 2017 – 51.1%)
- Total response rate in the last five years: 74-76% (in 2017 - 74.4%)
- Income: gross and net for the year preceding to the survey year. Income data for the year N shall be published in January of year N+2; poverty and inequality data - in February of year N + 2.

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About EU-SILC in Latvia (4)

Five instruments were developed at CSB of Latvia to collect primary and secondary target variables

4 types of questionnaires were developed:

- **Household Register** (to collect demographic information about all household members)
- **Household Questionnaire** (to collect all information related to household: dwelling costs, housing conditions, income components* received at household level etc.)
- **Personal Questionnaire (**to collect all needed information for each household member aged 16 and over at the end of previous calendar year: education, health, labour information, income components* received at personal level etc.)
- **Module Questionnaire** (to collect secondary target variables)

Additional document:

- **Sample/household List** (all necessary information about household member for tracing purposes, without PINs)

The data entry program as well as the paper questionnaires of EU-SILC survey are available in Latvian and in Russian (the language of the largest ethnic minority in Latvia)

*excluding income data available from registers, but including wages and salaries

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Methodology of variables and indicators (1)

Variables	Indicators, calculated according to Eurostat methodology	Indicators, calculated according to CSB methodology
Household disposible income	▪ Mean equivalised net income ▪ **Monetary poverty** ▪ Distrubution of income (Gini, S80/S20, etc.)	▪ Mean net income per household member ▪ Minimum income level
Items of material deprivation: 1) to face unexpected expenses, 2) one week annual holiday away from home, 3) to pay for arrears (mortgage or rent, utility bills or hire purchase instalments), 4) a meal with meat, chicken or fish every second day, 5) to keep home adequately warm, or could not afford (even if wanted to): 6) a washing machine, 7) a colour TV, 8) a telephone, 9) a personal car	▪ Material deprivation rate ▪ **Severe material deprivation rate**	▪ Economic strain ▪ Deprivation of durables
Work intensity Main activity in January - December	▪ **Low work intensity**	-
-	▪ **At-risk-of-poverty or social exclusion**	-

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Methodology of variables and indicators (2)

Income

- **Data collection:** household respondent, personal interview (proxy as an exception) and income registers
- **Household disposable income** – cash income from labour, employee income in kind received by using company car for private needs estimated in cash, income or losses received from self-employment, pensions and benefits received, regular material assistance from other households, profit from deposit interest, dividends, shares, income received by children aged under 16, income from property rental, receipts for tax adjustments from the State Revenue Service (for business activities, eligible costs – education, medical treatment etc.). From this total amount of income the following items are deducted: real estate tax, amount of money regularly given to other households, amount paid to the State Revenue Service due to unpaid or insufficiently paid income tax.
- **At-risk-of-poverty rate** – share of persons with an equivalised disposable income below 60% of the national median equivalised (1; 0.5; 0.3) disposable income.

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Methodology of variables and indicators (3)
Income

- **Calculations:**

  Total household gross income (HY010) = HY040G + HY050G + HY060G + HY070G + HY080G + HY090G + HY110G + sum(PY010G + PY021G + PY050G + PY080G + PY090G + PY100G + PY110G + PY120G + PY130G + PY140G)

  Total disposable household income (HY020) = HY010 - HY120G - HY130G - HY140G

PY021G – Company car
HY120G – Regular taxes on wealth
HY140G – Tax on income and social contributions
HY040G to PY140G – see slide Nr 33

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Methodology of variables and indicators (4)
Material deprivation

- **Data collection:** personal interview (proxy as an exception)
- **Severe material deprivation rate** is defined as the proportion of people lacking at least 4 items (in case of **material deprivation rate** – lacking at least 3 items) among the 9 following: the household could not afford: 1) to face unexpected expenses, 2) one week annual holiday away from home, 3) to pay for arrears (mortgage or rent, utility bills or hire purchase instalments), 4) a meal with meat, chicken or fish every second day, 5) to keep home adequately warm, or could not afford (even if wanted to): 6) a washing machine, 7) a colour TV, 8) a telephone, 9) a personal car.
- **Economic strain** is defined as the proportion of people lacking at least 2 items among the 5 following: 1) to face unexpected expenses, 2) one week annual holiday away from home, 3) to pay for arrears (mortgage or rent, utility bills or hire purchase instalments), 4) a meal with meat, chicken or fish every second day, 5) to keep home adequately warm.
- **Deprivation of durables** is defined as the proportion of people, who could not afford (even if wanted to) at least 1 item among the 4 following: 1) a washing machine, 2) a colour TV, 3) a telephone, 4) a personal car.

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Methodology of variables and indicators (5)

Material deprivation

List of current Material deprivation items	List of new Material deprivation items	Level of item	Availability
coping with unexpected expenses	coping with unexpected expenses	household level	2005+
one week annual holiday away from home	one week annual holiday away from home	household level	2005+
avoiding arrears (in mortgage or rent, utility bills or hire purchase instalments)	avoiding arrears (in mortgage or rent, utility bills or hire purchase instalments)	household level	2005+
a meal with meat, chicken, fish or vegetarian equivalent every second day	a meal with meat, chicken, fish or vegetarian equivalent every second day	household level	2005+
keeping the home adequately warm	keeping the home adequately warm	household level	2005+
a personal car	a personal car	household level	2005+
a washing machine		household level	2005+
a colour TV		household level	2005+
a telephone		household level	2005+
	to replace worn-out furniture	household level	2009, 2013+
	to replace worn-out clothes by some new (not second-hand)	personal level	2009, 2013+
	two pairs of properly fitting shoes, including a pair of all-weather shoes	personal level	2009, 2013+
	to spend a small amount of money each week on oneself without having to consult anyone	personal level	2009, 2013+
	to get together with friends/family for a drink/meal at least monthly	personal level	2009, 2013+
	to have regular leisure activities	personal level	2009, 2013+
	to have access to Internet for personal use at home	personal level	2009, 2013+

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Methodology of variables and indicators (6)

Work intensity

- **Data collection:** personal interview (proxy as an exception)
- **Work intensity** refers to the number of months that all working age household members have been working during the income reference year as a proportion of the total number of months that could theoretically be worked within the household. Individuals are classified into work intensity categories that range from WI=0 (jobless household) to WI=1 (full work intensity). It is considered that person is living in household with **low work intensity**, if WI≤0.2.

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Methodology of variables and indicators (7)

Breakdown variables

Comparable statistics for poverty monitoring = Comparable main indicator (at-risk-of-poverty, severe material deprivation etc) + comparable breakdown variables.

Examples:

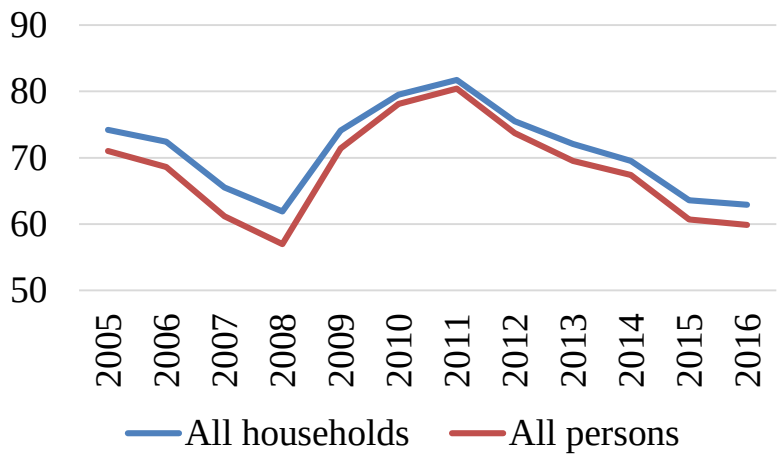
- Definitions

Child (person under the age of 18) or *Dependent child* (a person aged 0–17 as well as persons aged 18–24 if economically inactive and living with at least one of the parents).

Couple with X children or *2 adults with X dependent children*

- Personal or household level of variable

The rate of *persons* and *households*, which could not afford to cover unexpected financial expenses due to the lack of money (%)



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Methodology of variables and indicators (8)
Breakdown variables

- Distribution of income by different income groups

Groups of Persons or households?

Income per capita or equivalized income?

- Urban/rural areas or degree of urbanization:

EU-SILC 2016: Distribution of households by urban/rural areas and degree of urbanization (%)

		National breakdown variable	
		Urban area	Rural area
International breakdown variable (dergee of urbanisation)	Densely-populated area	45%	0%
	Itermediate area	16%	4%
	Thinly-populated area	10%	25%

- etc

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Methodology of variables and indicators (9)

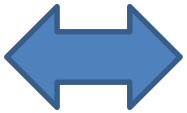
Standartisation of social variables

Standardisation of social variables:

- In November 2013 DSS mandates reviewing of the definitions, response categories and implementation guidelines of all variables used in several surveys with a view to proposing a single methodology wherever appropriate.
- All identified 28 variables were divided into two groups (P1 and P2)

Example of standartisation: Region of residence

	Level of detail		
	Low	Medium	High
NUTS 1 region	X		
NUTS 2 region		X	
NUTS 3 region			X



Micro-data collection	Level of detail		
	Low	Medium	High
EU-SILC		X	
EU-LFS			X
HBS		X	
AES		X	
EHIS		X	
HETUS		X	
ICT HH	X		

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Methodology of variables and indicators (10)

Standartisation of social variables

- P1 variables (**core variables are bolded**):
  - **(1) Sex**
  - **(2) Age in completed years**
  - (3) Household grid
  - **(4) Partners living in the same household**
  - **(5) Household size**
  - **(6) Household type**
  - (7) Tenure status of the household
  - **(8) Main activity status (self-defined)**
  - **(9) Full- or part-time main job (self-defined)**
  - (10) Permanency of main job
  - **(11) Educational attainment level**
  - (12) Participation in formal education and training (student or apprentice) in <reference period>
  - (13) Level of the current/most recent formal education or training activity

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Methodology of variables and indicators (11)

Standartisation of social variables

- P2 variables (**core variables are bolded**):
  - **(14) Country of birth**
  - **(15) Country of main citizenship**
  - **(16) Country of birth of the father**
  - **(17) Country of birth of the mother**
  - **(18) Country of residence**
  - (19) Duration of stay in the country of residence in completed years
  - **(20) Region of residence**
  - **(21) Degree of urbanisation**
  - **(22) Status in employment in the main job**
  - **(23) Economic activity of the local unit for main job**
  - **(24) Occupation in main job**
  - (25) Self-perceived general health
  - (26) Long-standing health problem
  - (27) Limitation in activities because of health problems
  - (28) Current household income
- Eurostat will continue standardisation process and will develop list of P3 variables.
- CSB of Latvia regularly standardizes questions and response categories used in different surveys.

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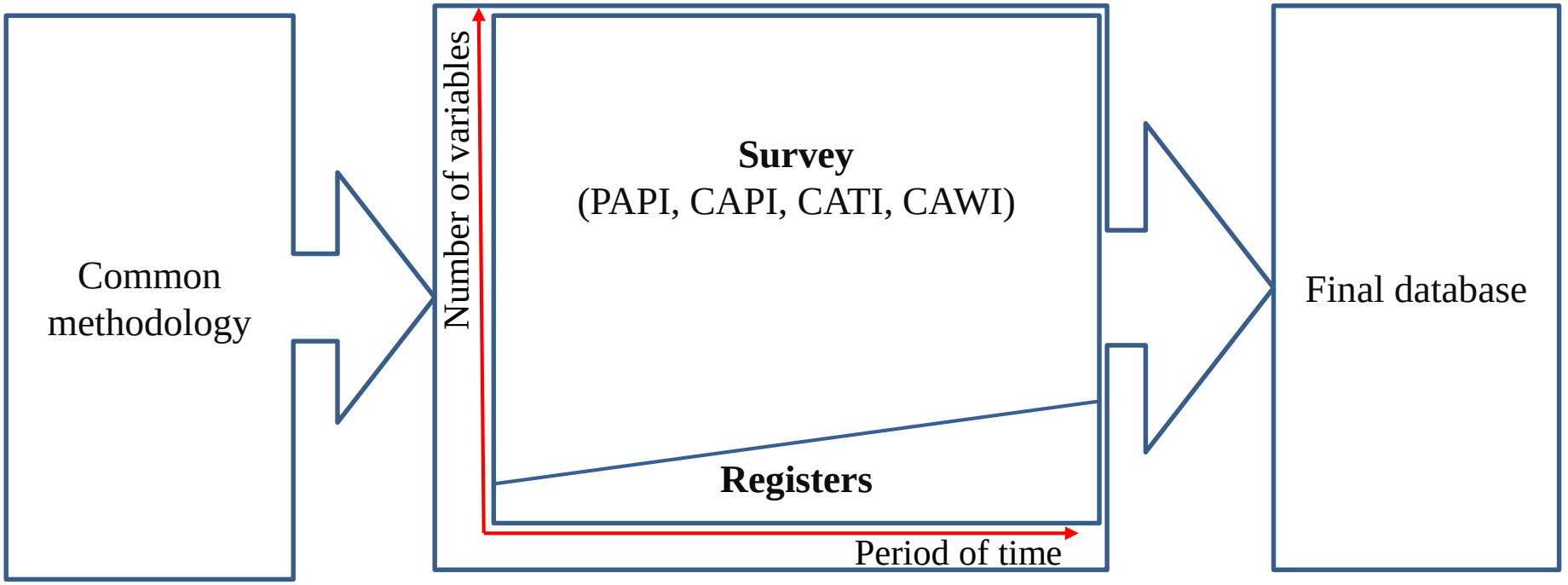
Data collection (1)

Number of collected variables over period of time: Survey↓, Registers↑



EU-SILC – is a survey, which it is difficult to carry out without using data from the administrative registers.

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Data collection (2)

Evolution of data collection modes in Latvian EU-SILC

Survey year	Data entry program	PAPI	CAPI	CATI	CAWI	Income registers		
						SSIA[1]	SRS[2]	SOPA[3]
2005		✓						
2006	Blaise	✓	✓			✓[4]		
2007	Blaise	✓	✓			✓	✓	
2008	Blaise	✓	✓	✓		✓	✓	
2009	Blaise	✓	✓	✓		✓	✓	
2010	Blaise	✓	✓	✓		✓	✓	
2011	Blaise	✓	✓	✓		✓	✓	
2012	Blaise	✓	✓	✓		✓	✓	
2013	ISDMS-CASIS[5]	✓	✓	✓		✓	✓	✓
2014	ISDMS-CASIS	✓	✓	✓		✓	✓	✓
2015	ISDMS-CASIS	✓	✓	✓		✓	✓	✓
2016	ISDMS-CASIS	✓	✓	✓		✓	✓	✓
2017	*ISDMS-CASIS*	✓	✓	✓	✓[6]	✓	✓	✓

[1] State Social Insurance Agency: pensions and benefits paid at state level (excluding few pensions and benefits), gross and net

[2] State Revenue Service: wages and salaries, gross and net

[3] Centralized system on municipal benefits: benefits paid at municipal level, in 2013 and 2014 excluding few municipalities

[4] Old age pensions (only)

[5] Integrated Statistical Data Management System – Computer Assisted Survey Information System

[6] Pilot project in 2016

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Data collection (3)

Data entry program

Blaise: EU-SILC 2006 - 2012

ISDMS-CASIS: EU-SILC 2013+

Modes of data collection supported by ISDMS – CASIS:

- CAPI – Computer Assisted Personal Interview
- CATI – Computer Assisted Telephone Interview
- CAWI – Computer Assisted Web Interview

Advantages of implementation ISDMS – CASIS:

- Single system for all surveys
- Easier to manage and to process data
- Questionnaires and survey description can prepare persons without specific programming knowledge

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Data collection (4)

Mode	Advantages	Disadvantages
PAPI	✓ Easy to prepare; ✓ Easy to perceive the whole questionnaire ✓ Usually paper questionnaire is made anyway (even when CAPI is used)	✓ Printing costs and time needed ✓ Have to be careful following all skips ✓ Must be entered in some data entry system/program/application afterwards which can lead to new errors ✓ Mistakes usually cannot be corrected because of time lag between interview and data processing
CAPI	✓ All mistakes are avoided during the interview ✓ Data are already in electronic format, no data entry needed afterwards ✓ Can be sent and be available in the national office shortly after interview	✓ Error or mistake in data entry program can cause large problems ✓ There can be problems with lap top computers (batteries, heavy to carry and so on) ✓ Training how to use computers and particular data entry program needed
CATI	✓ Cheaper, than PAPI/CAPI ✓ If people don't want to let interviewer into their houses, then it is good solution	✓ Usually increase of proxy interviews ✓ Could be some loses regarding data quality
CAWI	✓ Cheaper, than PAPI/CAPI/CATI ✓ If people don't want to let interviewer into their houses, then it is good solution	✓ Usually increase of proxy interviews ✓ Usually increase of item-nonresponse ✓ Could be some loses regarding data quality
Proxy	✓ Better, than individual non-response (in general)	✓ Other household members not always are informed about all personal matters; ✓ There are subjective personal attitude questions.

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Data collection (5)
Registers

- CSB has a leading role in the development of administrative registers in the country.
- This right is secured by Statistics Law, which came into force on January 1st 2016. For example, in the 15th article of this law stated that:
  - A State institution upon a substantiated request of the statistical institution shall disclose information regarding data it processes in its administrative data sources in order for the statistical institution to evaluate options for using the respective data for production of official statistics.
  - A legal person governed by private law, an association of such persons or a State institution shall upon a substantiated request of the statistical institution provide data from its administrative data sources, including restricted access information needed for production of official statistics. Data from administrative data sources of a State institution shall be provided free of charge.
  - A State institution, maintaining, planning, implementing and improving administrative data source structure and content, shall create data source so that the data meet the needs of production of official statistics and that they can be provided to the statistical institution for production of official statistics. Compliance of the data with the needs of production of official statistics shall be assessed in accordance with types of data non-compliance laid down in Section 13, Paragraph two of this Law.
- Prior to the entry into force of Statistics Law, Law On Official Statistics was valid. Although there was given the right to use administrative registers data, this right has been described in more restricted and less specific way.

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Data collection (6)
Registers

Usage of registers in EU-SILC survey:

- Population register:
  - name, surename
  - personal identification number
  - main demographic imformation
- Dwelling register, partly national variables (EU-SILC 2014+):
  - Commissioning year
  - Space of dwelling
  - Gas supply
  - Toilet room and/ or combined Sanitary room
  - Bathroom (shower) room and/ or combined Sanitary room
  - Sewerage
  - Cold water supply
  - Hot water supply
- NACE code, if avaliable (EU-SILC 2017+)
- Occupation (ISCO-08), if avaliable (EU-SILC 2017+)
- Highest ISCED level attained, if avaliable (EU-SILC 2018+)
- Income registers

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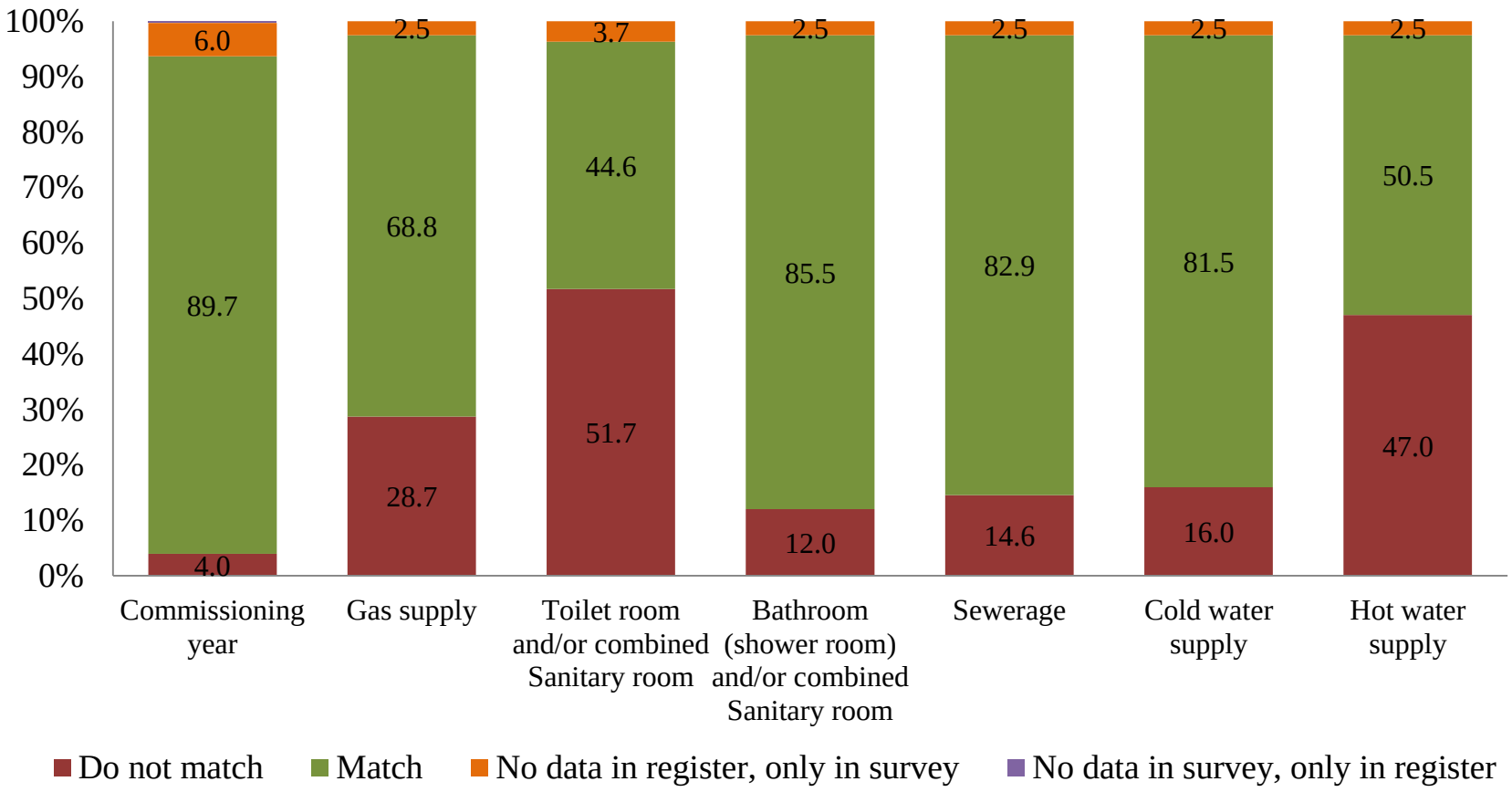
Data collection (7)

Registers

Comparison of data from dwelling register and data from survey (EU-SILC 2014)



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Data collection (8)

Income registers

State Social Insurance Agency (SSIA)

Legal basis: joint agreement between CSB and SSIA (from 2006)

Regularity of receiving administrative data: once a year

Overall process of data exchange:

- CSB sends data file with EU-SILC respondents' names, surnames, personal identification numbers (PIN) until 1 September after income reference period
- Until 30 September SSIA supplements the data file with amounts of received pensions and benefits informing CSB officials

State Revenue Service (SRS)

Legal basis: joint agreement between CSB and SRS (from 2007)

Regularity of receiving administrative data: once a year or monthly*

Overall process of data exchange: CSB receives data files with information about all population of Latvia

Centralized system on municipal benefits (SOPA)

Legal basis: Agreement with "ZZ dats" and 116 municipalities, Bilateral agreements with city of Riga, city of Daugavpils and city of Jurmala (from 2013 or 2014)

Regularity of receiving administrative data: once a year

- CSB sends data file with EU-SILC respondents' names, surnames, personal identification numbers (PIN) until 1 September after income reference period
- Until 30 September "ZZ dats" or municipality supplements the data file with amounts of received benefits informing CSB officials

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Data collection (9)
Income registers

The variables from income registers or survey

	SRS	SSIA	SOPA	Survey
PY010G/N – Employee cash or near cash income (registers **and** survey)	X			X
PY050G/N – Cash benefits or losses from self-employment				X
PY080G/N – Pensions from individual private plans				X
PY090G/N – Unemployment benefits		X		X
PY100G/N – Old-age benefits		X		X
PY110G/N – Survivor's benefits		X		
PY120G/N – Sickness benefits		X		
PY130G/N – Disability benefits		X	X	
PY140G/N – Education-related allowance			X	X
HY040G/N – Income from rental of a property or land				X
HY050G/N – Family/children-related allowances		X	X	X
HY060G/N – Social exclusion not elsewhere classified		X	X	
HY070G/N – Housing allowances			X	
HY080G/N– Regular inter-household cash transfer received				X
HY090G/N – Interests, dividends, profit from capital investments in unincorporated business	X			X
HY110G/N – Income received by people under 16 (registers **and** survey)	X			X
HY130G/N – Regular inter-household cash transfer paid				X

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Data collection (10)

Income registers

Principles of matching data on wages and salaries obtained from State Revenue Service (SRS) and EU-SILC survey:

- IF EU-SILC survey data > SRS data THEN EU-SILC survey data is used
- IF no data from EU-SILC survey, but SRS data > 0 OR EU-SILC survey data < SRS data THEN SRS data is used
- IF a person refuses to answer AND no data from SRS THEN mathematical imputation is done

Overlapping of received wages and salaries indicated in EU-SILC questionnaire and SRS database:

	EU-SILC 2013	EU-SILC 2014	EU-SILC 2015
	%	%	%
1) Wages and salaries from both: questionnaire and register	77.9	79.6	78.1
2) Wages and salaries only from register	15.3	14.6	16.2
3) Wages and salaries only from questionnaire	6.8	5.9	5.6
All persons having income from wages and salaries	100.0	100.0	100.0

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Data collection (11)

Income registers

- **SSIA data on state pensions and benefits** is very reliable and precise data source. Respondents regularly tell erroneous income amounts received during previous calendar year.
- SRS **data on employee income** doesn't cover informal economical sector. Therefore it must be combined with survey data and parallel collection data in EU-SILC survey must be continued.
- Income register **data on income from self-employment or business activities** are not usable because of differences in concepts and definitions.
- Starting from EU-SILC 2013 (income data for 2012) from income registers are obtained data **on municipal benefits**. This data is very important because these benefits are paid to people, which are at-poverty risk or are socially excluded.
- The **respondent burden is reduced**.

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Data dissemination (1)

Dissemination of EU-SILC 2016 data:

- Collection of statistical data “Income and Living Conditions in Latvia, 2016” – June, 2017;
- CSB Statistics Database: Monetary poverty and income inequality -> 2015, Households disposable income –> 2015, Minimum Income Level -> 2015, Material deprivation (Household and Individual level) -> 2016, Self-perceived health status -> 2016, Housing Conditions -> 2016, Composition of Households -> 2016;
- Leaflet “Material Deprivation in Latvia”, 2nd quarter 2017;
- Press releases:
  - 19.01.2017 In 2015 household disposable income rose by 7.6 %
  - 19.01.2017 In 2015, income of the poorest population increased by 10.6 %
  - 02.02.2017 In Latvia, 424 thousand persons or 21.8 % of population are at risk of poverty
  - 02.03.2017 In 2016, housing costs on average constituted 140 euros monthly
  - 15.03.2017 Population perception of the ability to make ends meet becomes more optimistic
  - 24.05.2017 More than one third of Latvia inhabitants find it difficult to pay for healthcare services

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Data dissemination (2)

The availability of some indicators in the CSB database:

- Income, monitary poverty indicators: 2004+
- Material deprivation items and indicators: 2005+
- Consumption expenditure: 2002 – 2016
- Structure of consumption expenditure (%): 1996 – 2016
- Subsistence minimum: 1998 – 2013

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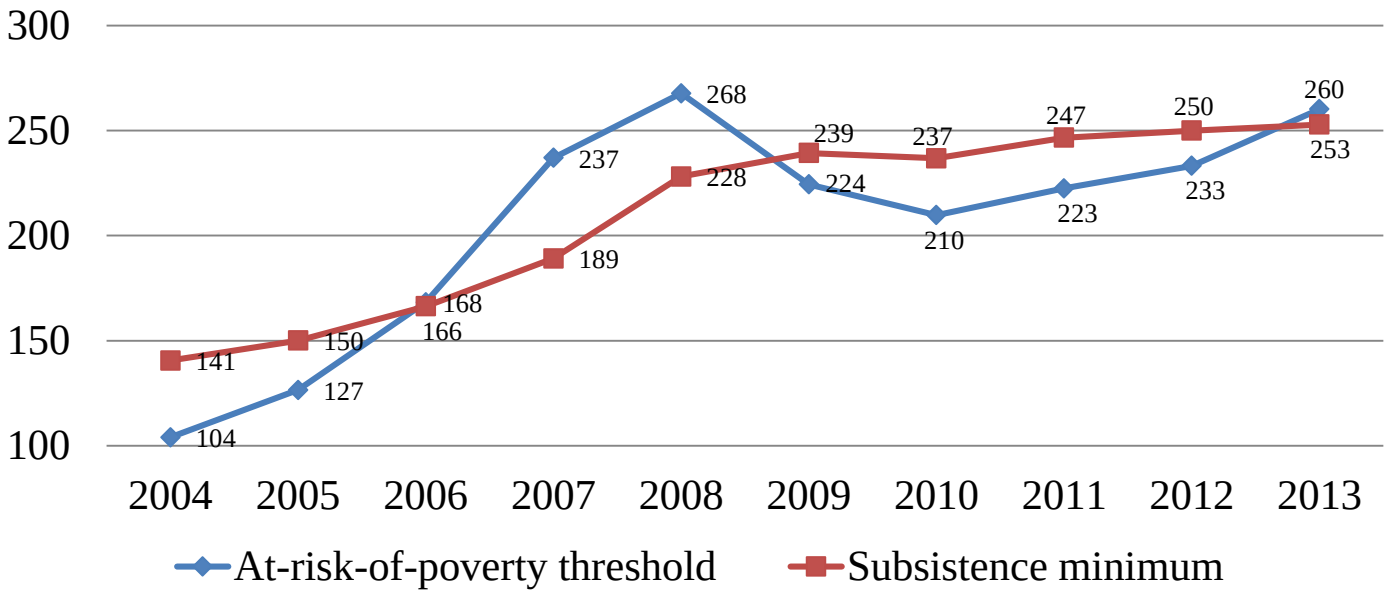
Data dissemination (3)

Starting from 2014, the CSB stopped calculating subsistence minimum due to the outdated calculation methodology which was developed in 1991. The Ministry of Welfare is working on the new methodology for calculating subsistence minimum. The new subsistence minimum will be for information only and will not be embedded in the legislation.

At-risk-of-poverty threshold: EUR, per equivalent consumer per month
Subsistence minimum: EUR, per person per month



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National and international strategies (1)

- Strategy "Europe 2020"
- National reform programme of Latvia for the implementation of the Strategy "Europe 2020"

Strategy "Europe 2020" headline target	**Measurement at EU level**	**Measurement at national level (LV)**
Poverty and social exclusion	At least 20 million fewer people in or at risk of poverty and social exclusion	To reduce the number of persons at the risk of poverty and/or of those living in households with low work intensity by 121 thousand or 21 % until 2020

- National Development Plan for 2014-2020
- Sustainable Development Strategy of Latvia until 2030
- UN Sustainable Development Goals

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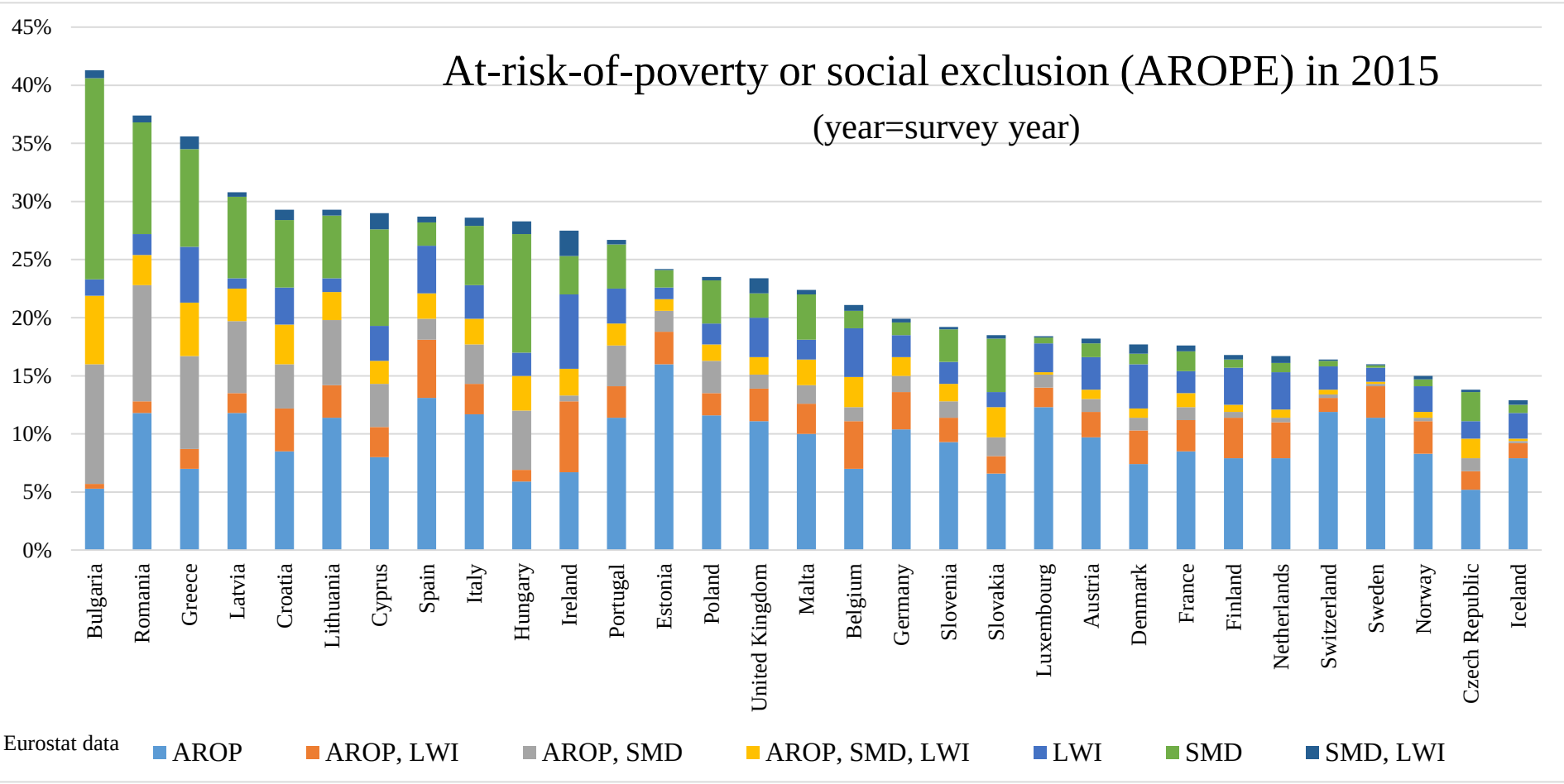
National and international strategies (2)

Strategy "Europe 2020"



AROP – at-risk-of-poverty, SMD – severe material deprivation, LWI – low work intensity

Ireland, Croatia, Switzerland – data about 2014 survey

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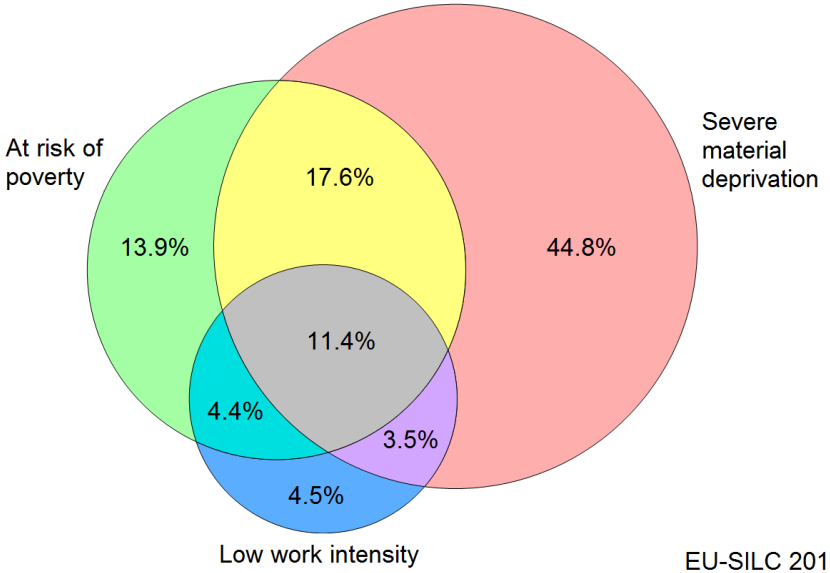
National and international strategies (3)

Strategy "Europe 2020"

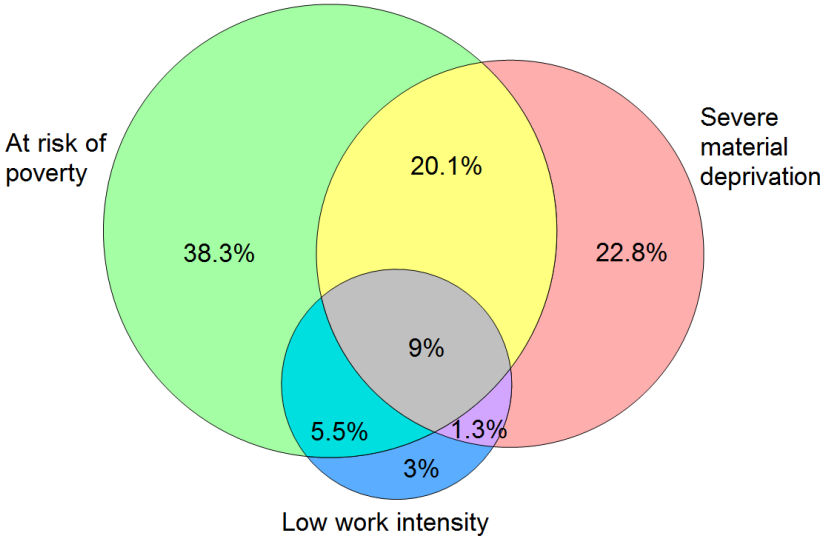
At risk of poverty or social exclusion in Latvia:

821 thsd. = 100%, including:



EU-SILC 2011

606 thsd. = 100%, including:



EU-SILC 2015

Eurostat data

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Conclusions (1)

- EU-SILC survey provides wide opportunity to study phenomenon of poverty and social exclusion. Experience of Latvia shows that the society is interested in those indicators that we obtain and publish from the EU-SILC survey.

- It is important to balance respondents' burden and the amount of data that we wish to obtain from the respondents. Implementation of a separate survey on income and living conditions in Latvia has justified itself.

- Common methodology and common IT solutions greatly simplify daily work.

- It is difficult to carry out EU-SILC survey without using data from the administrative registers, especially income registers. Statistical Institute must play a leading role in the development of administrative registers in the country. It is important to reduce respondent burden.

- Harmonisation of poverty statistics means also harmonisation of main breakdown variables (between countries and surveys).

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Conclusions (2)

- Multi-mode data collection allows to maintain response rates. It is important to develop different modes of data collection and pay particular attention to data quality.

- Due to the outdated methodology the CSB does not calculate the subsistence minimum indicator any longer but it plans to resume this practice after the Ministry of Welfare provides an updated methodology for calculating this indicator.

- The Latvian Government decided to introduce an indicator of minimum income level, which will be the starting point for support measures in social security system. Though the chosen poverty threshold is lower than the one used in EU-SILC, the CSB supports this initiative of the Ministry of Welfare. However future of this initiative is unclear now.

- It is important to hold regular meetings at the regional level, particularly when new surveys or/and methodologies are introduced.

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Thank you for your attention!

Viktors.Veretjanovs@csb.gov.lv