

Subjective poverty measures

Outcomes of the in-depth review carried out by the Bureau of the Conference of European Statisticians

Introduction by Statistics Poland

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Poverty as a subject of statistical measurement

- Poverty is a complex phenomenon. As a concept, it is defined and understood in different ways. The choice of a particular definition of poverty and of the measurement method used determine the results of the assessment
- The decision on how to measure poverty involves, among other things, the choice to consider poverty in an objective or in a subjective way
- Subjective poverty measurement is not an alternative to objective poverty measurement but should be considered as complementary

In-depth review of subjective poverty measures

- Spring 2021
 - Statistics Poland was mandated by CES to undertake an in-depth review of subjective poverty measurement methods
 - This initiative follows the methodological work under the Conference that has led to the publication of the Guide on poverty measurement in 2017 and the Guide on disaggregated poverty measures in 2020
- October 2021
 - CES Bureau Meeting - the Bureau reviewed in-depth the topic of subjective poverty measures based on a paper prepared by Statistics Poland (document ECE/CES/BUR/2021/OCT/2)

Overview of national and international statistical activities

- Based on the results of a special questionnaire prepared on this issue. Feedback on the questionnaire was received from 53 countries.
- A review of national practices shows that:
 - few countries use a direct measurement of subjective poverty through self-assessment questions
 - in contrast, most countries include questions on subjective assessments of perceived living standards in household surveys
 - conceptually, these questions can be used to calculate indirect measures of subjective poverty and to estimate subjective poverty thresholds, but this is not a common practice

Overview of national and international statistical activities

- Based on the results of a special questionnaire prepared on this issue. Feedback on the questionnaire was received from 53 countries.
- A review of national practices shows that:
 - in general, it can be said that measurement and analysis of subjective poverty tend to be minimized or omitted for most National Statistical Offices.
 - a small group of countries produces, analyses, and publishes data in this area on a regular basis

Poverty as a subject of statistical measurement

- Activities of International Organisations
 - a review of poverty surveys and analyses conducted over the past few years by international organizations and institutions (Eurostat, World Bank, OECD, UNDP) shows that subjective poverty has not been at the center of attention of those institutions
 - the objective approach was clearly dominant at that time and a common list of subjective poverty indicators has not yet been agreed upon at the international level

Summary

- Both the literature review and measurement practice indicates
 - different ways of understanding and defining the term subjective poverty
 - this indicates a need to clarify terminology and develop a system of concepts related to the measurement of subjective poverty
 - low use of subjective data for poverty monitoring
 - at present, both at the national and international level, objective indicators play a dominant role in monitoring the phenomenon of poverty; the measurement of subjective poverty is generally limited to a minimum or omitted
 - lack of commonly agreed indicators of subjective poverty for international comparisons

Opinions of National Statistical Offices on the usefulness of undertaking further work on measuring subjective poverty at the international level

- Based on the results of a special questionnaire prepared on this issue

	In favour	Against	No opinion
Preparation of a guide	38	5	10
Development of a list of indicators for international comparisons	35	8	10

Recommendations for future work

(taking into account the decisions of the CES Bureau)

- Based on the report of the CES Bureau meeting on 13-14 October 2021 (ECE/CES/BUR/2021/OCT/18)
- The CES Bureau supported further work in this area and agreed to the recommendations presented in the in-depth review paper prepared by Statistics Poland
- **The Bureau decided to establish a task force** to develop a guide on measuring subjective poverty and a set of subjective poverty indicators that could be used for international comparison
- The proposed guide on measuring subjective poverty should include a list of indicators (coherent, holistic, and short), the related conceptual considerations, and guidelines on how to develop the indicators
- The proposed indicators should relate to existing international work in this area (e.g. the measuring of subjective perception of living conditions defined in the EU Survey on Income and Living Conditions)

Thank you

for your attention!