In-depth review of subjective poverty measures

Addendum

Outcome of the electronic consultation on the in-depth review of subjective poverty measures

Prepared by the Secretariat

Summary

This document presents the outcome of the in-depth review of subjective poverty measures that the Bureau of the Conference of European Statisticians carried out in October 2021 and summarizes the feedback from the electronic consultation on the review among members of the Conference of European Statisticians in April–May 2022.

The in-depth review paper (ECE/CES/2022/9) was prepared by Poland. The paper deals with the concepts and ways of measuring subjective poverty. It summarises the experience of national statistical offices and international organisations in measuring subjective poverty and identifies problems and challenges. It also proposes further work to increase the use of subjective poverty measures and to create the conditions for international comparisons in this area.

The Conference will be invited to endorse the outcome of the in-depth review of subjective poverty measures on 20 June 2022 under item 4b.
I. Introduction

1. Each year, the Bureau of the Conference of European Statisticians (CES) reviews selected statistical areas in depth. The purpose of the reviews is to improve coordination of statistical activities in the region of the United Nations Economic Commission for Europe (UNECE), identify gaps or duplication of work, and address emerging issues. These reviews focus on strategic issues and highlight concerns of statistical offices of both a conceptual and coordinating nature.

2. The Bureau carried out an in-depth review of subjective poverty measures (doc. ECE/CES/2022/9) in October 2021 led by Statistics Poland. The review summarises the concepts and the experience of national statistical offices and international organisations in the area. As part of the in-depth review, a survey with 53 responding countries took place, describing their approaches in defining poverty in a subjective way and carrying out self-identification assessments.

3. As a follow-up step, the Bureau established 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 Task Force has started the work and has met twice.

4. The UNECE Secretariat conducted an electronic consultation in April–May 2022 to inform all CES members about the in-depth review of subjective poverty measures and provide an opportunity to comment on its content.

5. The following 13 countries replied to the electronic consultation: Austria, Belarus, Canada, Costa Rica, Denmark, Finland, Hungary, Lithuania, Mexico, Poland, Russian Federation, Turkey, and Ukraine.

II. Outcome of the Conference of European Statisticians Bureau discussion

6. The Bureau appreciated the in-depth review. The following points were made in the discussions:

   (a) Objective poverty measures alone are not sufficient to understand the complexity of poverty and that subjective measures can complement them in important ways, especially with regard to reaching the poorest and making their voice heard;

   (b) The proposed list of subjective poverty indicators to be developed should be coherent, holistic and short. The indicators should relate to existing international work, i.e. to the measuring of subjective perception of living conditions defined in the EU Survey on Income and Living Conditions (EU-SILC), and to the OECD guidelines on measuring subjective well-being. The proposed guide on measuring subjective poverty should include a list of indicators, the related conceptual considerations and guidelines on how to develop the indicators.

7. The Bureau supported further work in this area and approved the terms of reference of the Task Force on subjective poverty measures (2022-2024). The United States will chair the Task Force.

8. The Bureau agreed with the recommendations proposed in the paper by Poland and asked for the paper to be widely shared. The topic will be discussed at the CES plenary session under item 4b.

III. Feedback from the electronic consultation

9. All responding countries welcomed the outcome of the in-depth review paper and expressed support for further steps in the area.

10. The proposal to develop a guide on measuring subjective poverty containing description of approaches and best practices, system of indicators and methodology behind their measurement as well as further recommendations for statistical services concerning
international comparisons was highly valued (Belarus, Hungary, Mexico, Russian Federation, Türkiye and Ukraine).

11. Poverty in general as well as subjective poverty are complex phenomena. A clarified terminology and unambiguous interpretation are preconditional for international harmonisation. Different economic, social, political and cultural conditions across countries should be taken into consideration when measuring subjective poverty (Hungary, Mexico, Russian Federation and Türkiye).

12. The use of the subjective approach as complementary to the objective measurement can be a very useful and efficient diagnostic tool of poverty. It allows for a better understanding of what poverty means to people and verifying whether objective evaluations of poverty are consistent with the social experience (Denmark, Hungary, Mexico and Türkiye). At the same time, nationally and at the policy level having more than one measure of poverty could be challenging and likely to require a large dissemination effort to make use of additional measures of poverty sufficiently widespread (Denmark).

13. Türkiye agree that the proposed list of subjective poverty indicators to be developed should be coherent, holistic and short.

14. Mexico expressed interest to join the Task Force.

15. The countries detailed comments received from the electronic consultation as well as during the CES plenary session will be shared with the Task Force and will be taken into account in its further work.