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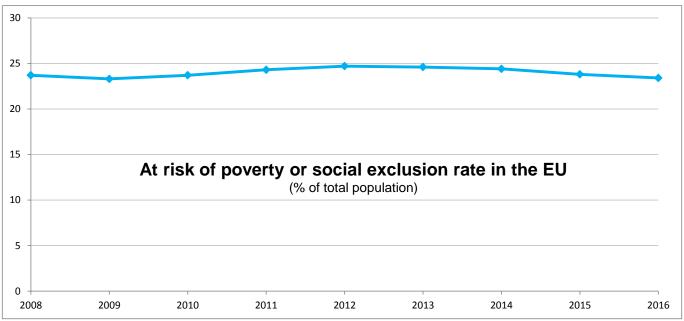
17 October: International Day for the Eradication of Poverty

# Downward trend in the share of persons at risk of poverty or social exclusion in the EU

But still over 115 million people in this situation

In 2016, 117.5 million people, or 23.4% of the population, in the **European Union** (EU) were at risk of poverty or social exclusion. This means that they were in at least one of the following three conditions: at-risk-of-poverty after social transfers (income poverty), severely materially deprived or living in households with very low work intensity. After three consecutive increases between 2009 and 2012 to reach almost 25%, the proportion of persons at risk of poverty or social exclusion in the **EU** has since continuously decreased to 23.4% last year, only 0.1 percentage points above its 2009 low-point. The reduction of the number of persons at risk of poverty or social exclusion in the EU is one of the key targets of the Europe 2020 strategy.

These figures are published by **Eurostat**, **the statistical office of the European Union**, on the occasion of the International Day for the Eradication of Poverty. An <u>infographic</u> is also available on the Eurostat website.



2008 and 2009 data exclude Croatia. 2016 data are estimated.

### Highest at risk of poverty or social exclusion rate in Bulgaria, lowest in the Czech Republic

In 2016, more than a third of the population was at risk of poverty or social exclusion in three Member States: **Bulgaria** (40.4%), **Romania** (38.8%) and **Greece** (35.6%). At the opposite end of the scale, the lowest shares of persons being at risk of poverty or social exclusion were recorded in the **Czech Republic** (13.3%), **Finland** (16.6%), **Denmark** (16.7%) and the **Netherlands** (16.8%).

# Largest decrease in the at-risk-of-poverty or social exclusion rate in Poland, highest increase in Greece

Among Member States for which data are available, the at-risk-of-poverty or social exclusion rate has grown from 2008 in ten Member States, with the highest increases being recorded in **Greece** (from 28.1% in 2008 to 35.6% in 2016, or +7.5 percentage points), **Cyprus** (+4.4 pp), **Spain** (+4.1 pp) and **Sweden** (+3.4 pp). In contrast, the largest decrease was observed in **Poland** (from 30.5% to 21.9%, or -8.6 pp), followed by **Latvia** (-5.7 pp) and **Romania** (-5.4 pp). At **EU** level, the proportion of the total population being at risk of poverty or social exclusion in 2016 (23.4%) decreased by 0.3 percentage points from 2008.

### People at risk of poverty or social exclusion in the EU, 2008 and 2016

	% of total p	opulation	in thousands			
	2008	2016	2008	2016		
EU*	23.7	23.4	115 908	117 472**		
Belgium	20.8	20.7	2 194	2 335		
Bulgaria	:	40.4	:	2 890		
Czech Republic	15.3	13.3	1 566	1 375		
Denmark	16.3	16.7	887	948		
Germany	20.1	19.7	16 345	16 035		
Estonia	21.8	24.4	291	318		
Ireland	23.7	26.0***	1 050	1 207***		
Greece	28.1	35.6	3 046	3 789		
Spain	23.8	27.9	10 786	12 827		
France	18.5	18.2	11 150	11 463		
Croatia****	:	28.5	:	1 182		
Italy	25.5	28.7***	15 082	17 469***		
Cyprus	23.3	27.7	181	234		
Latvia	34.2	28.5	740	554		
Lithuania	28.3	30.1	910	871		
Luxembourg****	:	19.7	:	114		
Hungary	28.2	26.3	2 794	2 541		
Malta	20.1	20.1	81	85		
Netherlands****	14.9	16.8	2 432	2 807		
Austria	20.6	18.0	1 699	1 542		
Poland	30.5	21.9	11 491	8 221		
Portugal	26.0	25.1	2 757	2 595		
Romania****	44.2	38.8	9 115	7 694		
Slovenia	18.5	18.4	361	371		
Slovakia	20.6	18.1	1 111	950		
Finland	17.4	16.6	910	896		
Sweden	14.9	18.3	1 367	1 799		
United Kingdom	23.2	22.2	14 069	14 359		
Iceland	11.8	13.0***	36	41***		
Norway	15.0	15.3	701	791		
Switzerland	18.1	17.8	1 333	1 460		

Figures are rounded to the nearest thousand

<sup>\*</sup> Data for 2008 exclude Croatia. Data for 2016 are estimated.

<sup>\* 116 290</sup> excluding Croatia

<sup>\*\*\* 2015</sup> data instead of 2016.

<sup>\*\*\*\* 2016</sup> data are provisional.

Data not available or not published due to break in series.

The source dataset can be found here.

### About 1 in 6 persons in the EU at risk of income poverty...

Looking at each of the three elements contributing to being at risk of poverty or social exclusion, 17.2% of the EU population in 2016 were at risk of poverty after social transfers, meaning that their disposable income was below their national at-risk-of-poverty threshold (see the corresponding table). This proportion of persons at risk of income poverty in the EU has slightly decreased compared with 2015 (17.3%) but is still higher than in 2008 (16.5%). As the thresholds reflect actual income distribution in the countries, they vary greatly between Member States and also over time. Across the EU Member States, 1 in 4 persons was at risk of income poverty in Romania (25.3%) and about 1 in 5 in Bulgaria (22.9%), Spain (22.3%), Lithuania (21.9%), Latvia (21.8%), Estonia (21.7%), Greece (21.2%) and Italy (19.9% in 2015). In contrast, the lowest rates were observed in the Czech Republic (9.7%), Finland (11.6%), Denmark (11.9%), Slovakia (12.7%) and the Netherlands (12.8%). Compared with 2008, the proportion of persons at risk of income poverty has increased in twenty-one Member States for which data are available, and has decreased in four.

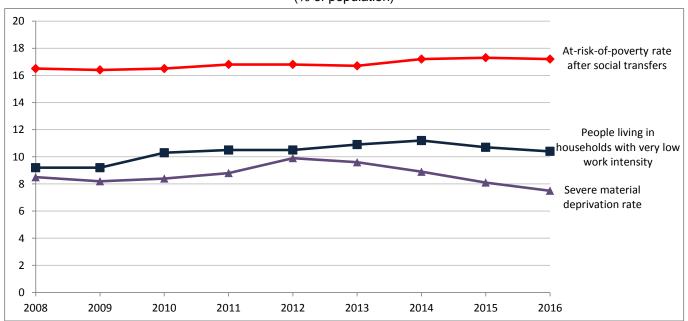
## ... 1 in 13 severely materially deprived...

In the **EU** in 2016, 7.5% of the population were severely materially deprived, meaning that they had living conditions constrained by a lack of resources such as not being able to afford to pay their bills, keep their home adequately warm, or take a one week holiday away from home. This proportion of persons severely materially deprived in the **EU** has decreased compared with both 2015 (8.1%) and 2008 (8.5%). The share of those severely materially deprived in 2016 varied significantly among Member States, ranging from more than 20% of the total population in **Bulgaria** (31.9%), **Romania** (23.8%) and **Greece** (22.4%), to less than 4% in **Sweden** (0.8%), **Luxembourg** (1.6%), **Finland** (2.2%), **Denmark** and the **Netherlands** (both 2.6%), **Austria** (3.0%) and **Germany** (3.7%). Compared with 2008, the proportion of persons severely materially deprived has increased in ten Member States for which data are available, and decreased in fifteen.

### ...and 1 in 10 living in households with very low work intensity

Looking at low work intensity, 10.4% of the population aged 0-59 in the **EU** lived in households where the adults worked less than 20% of their total work potential during the past year. It is the second year in a row since 2008 that this proportion decreased in the **EU**. **Ireland** (19.2% in 2015), **Greece** (17.2%), **Spain** (14.9%), **Belgium** (14.6%) and **Croatia** (13.6%) had the highest proportions of those living in very low work intensity households, while **Estonia** (5.8%), **Poland** (6.4%) and **Slovakia** (6.5%) had the lowest. Compared with 2008, the share of persons aged 0-59 living in households with very low work intensity has increased in a majority of Member States (eighteen), while it decreased in seven.

# Evolution of the three components of the at risk of poverty or social exclusion rate in the EU, (% of population)



2008 and 2009 data exclude Croatia. 2016 data are estimated.

The total number of people at risk of poverty or social exclusion is lower than the sum of the numbers of people in each of the three forms of poverty or social exclusion as some persons are affected simultaneously by more than one of these situations.

# Components of the at risk of poverty or social exclusion rate in the EU, 2008 and 2016

	At-risk-of-poverty after social transfers (%)		Persons seve depriv	rely materially ed (%)	Persons aged 0-59 living in households with very low work intensity (%)	
	2008	2016	2008	2016	2008	2016
EU*	16.5	17.2	8.5	7.5	9.2	10.4
Belgium	14.7	15.5	5.6	5.5	11.7	14.6
Bulgaria	:	22.9	:	31.9	:	11.9
Czech Republic	9.0	9.7	6.8	4.8	7.2	6.7
Denmark	11.8	11.9	2.0	2.6	8.5	10.6
Germany	15.2	16.5	5.5	3.7	11.7	9.6
Estonia	19.5	21.7	4.9	4.7	5.3	5.8
Ireland	15.5	16.3**	5.5	7.5**	13.7	19.2**
Greece	20.1	21.2	11.2	22.4	7.5	17.2
Spain	19.8	22.3	3.6	5.8	6.6	14.9
France	12.5	13.6	5.4	4.4	8.8	8.4
Croatia***	:	19.5	:	12.9	:	13.6
Italy	18.9	19.9**	7.5	11.5**	10.4	11.7**
Cyprus	15.9	16.1	9.1	13.6	4.5	10.6
Latvia	25.9	21.8	19.3	12.8	5.4	7.2
Lithuania	20.9	21.9	12.5	13.5	6.1	10.2
Luxembourg***	:	16.5	:	1.6	:	6.6
Hungary	12.4	14.5	17.9	16.2	12.0	8.2
Malta	15.3	16.5	4.3	4.4	8.6	7.3
Netherlands***	10.5	12.8	1.5	2.6	8.2	9.7
Austria	15.2	14.1	5.9	3.0	7.4	8.1
Poland	16.9	17.3	17.7	6.7	8.0	6.4
Portugal	18.5	19.0	9.7	8.4	6.3	9.1
Romania***	23.6	25.3	32.7	23.8	8.5	8.2
Slovenia	12.3	13.9	6.7	5.4	6.7	7.4
Slovakia	10.9	12.7	11.8	8.2	5.2	6.5
Finland	13.6	11.6	3.5	2.2	7.5	11.4
Sweden	12.2	16.2	1.4	0.8	5.5	8.5
United Kingdom	18.7	15.9	4.5	5.2	10.4	11.3
Iceland	10.1	9.6**	0.8	1.6**	2.6	5.2**
Norway	11.4	12.2	2.0	2.0	6.5	7.7
Switzerland	15.7	14.7	2.1	1.5	3.3	5.5

<sup>\*</sup> Data for 2008 exclude Croatia. Data for 2016 are estimated.

<sup>\*\* 2015</sup> data instead of 2016.

<sup>\*\*\* 2016</sup> data are provisional.

<sup>:</sup> Data not available or not published due to break in series.

### At-risk-of-poverty thresholds in the EU, 2008 and 2016

(in national currency)

		Annual national median equivalised disposable income (after social transfers)		Annual at-risk-of-poverty threshold			
	Currency			Single adult		Two adults with two children younger than 14 years	
		2008	2016	2008	2016	2008	2016
Belgium	euro	17 985	22 295	10 791	13 377	22 661	28 092
Bulgaria	BGN	:	6 163	:	3 698	:	7 765
Czech Republic	CZK	168 472	213 812	101 083	128 287	212 275	269 403
Denmark	DKK	180 015	213 803	108 009	128 282	226 819	269 391
Germany	euro	18 309	21 275	10 986	12 765	23 070	26 807
Estonia	euro	5 547	8 645	3 328	5 187	6 989	10 892
Ireland	euro	22 995	21 688**	13 797	13 013**	28 973	27 327**
Greece	euro	10 800	7 500	6 480	4 500	13 608	9 450
Spain	euro	13 966	13 681	8 379	8 209	17 597	17 238
France	euro	18 899	21 713	11 340	13 028	23 813	27 359
Croatia*	HRK	:	42 450	:	25 470	:	53 487
Italy	euro	15 640	15 846**	9 384	9 508**	19 706	19 966**
Cyprus	euro	16 024	14 020	9 614	8 412	20 190	17 665
Latvia	euro	4 740	6 365	2 844	3 819	5 972	8 019
Lithuania	euro	4 111	5 645	2 467	3 387	5 180	7 113
Luxembourg*	euro	:	33 857	:	20 314	:	42 659
Hungary	HUF	1 105 926	1 478 006	663 556	886 803	1 393 467	1 862 287
Malta	euro	10 009	13 572	6 005	8 143	12 611	17 101
Netherlands*	euro	19 522	22 607	11 713	13 564	24 598	28 484
Austria	euro	19 413	23 694	11 648	14 217	24 461	29 855
Poland	PLN	15 720	24 618	9 432	14 771	19 807	31 018
Portugal	euro	8 143	8 782	4 886	5 269	10 260	11 066
Romania*	RON	6 510	10 884	3 906	6 530	8 203	13 714
Slovenia	euro	10 893	12 327	6 536	7 396	13 725	15 532
Slovakia	euro	4 791	6 951	2 875	4 171	6 038	8 758
Finland	euro	19 794	23 650	11 876	14 190	24 940	29 799
Sweden	SEK	190 305	235 373	114 183	141 224	239 784	296 570
United Kingdom	GBP	15 068	17 321	9 041	10 393	18 986	21 824
Iceland	ISK	2 822 193	3 669 616**	1 693 316	2 201 770**	3 555 963	4 623 716**
Norway	NOK	254 905	354 161	152 855	212 497	320 996	446 243
Switzerland	CHF	44 332	47 258	26 599	28 355	55 858	59 545

<sup>\* 2016</sup> data are provisional.

The **at-risk-of-poverty rate** is the share of people whose total household income that is available (after social transfers, tax and other deductions) for spending or saving is below the **at-risk-of-poverty threshold**, which is set at 60% of the national median equivalised disposable income after social transfers.

This indicator does not measure wealth or absolute poverty, but low income in comparison to other residents in that country.

The threshold depends on the income distribution in a country for a given year and varies with the composition of a household. It is therefore important to note that the at-risk-of-income-poverty rate is a **relative measure of poverty** and that the threshold varies greatly between Member States. It also varies over time as it follows the evolution of the national median disposable income: in a number of Member States the threshold has fallen over the period 2008-2016 (Greece, Cyprus and Ireland) or stayed nearly stable (Spain, Italy and Portugal) due to the economic crisis.

<sup>\*\* 2015</sup> data instead of 2016.

<sup>:</sup> Data not available or not published due to break in series.

The source dataset can be found here.

### Geographical information

The **European Union** (EU) includes Belgium, Bulgaria, the Czech Republic, Denmark, Germany, Estonia, Ireland, Greece, Spain, France, Croatia, Italy, Cyprus, Latvia, Lithuania, Luxembourg, Hungary, Malta, the Netherlands, Austria, Poland, Portugal, Romania, Slovenia, Slovakia, Finland, Sweden and the United Kingdom.

For 2008 and 2009, data for the EU aggregate excludes Croatia.

### Methods and definitions

Data on the risk of poverty or social exclusion presented in this News Release are based on the EU-Statistics on Income and Living Conditions (EU-SILC). The **EU-SILC survey** is the EU reference source for comparative statistics on income distribution, poverty and living conditions. More information can be found here.

The reference population is all private households and their current members residing in the territory of a given Member State at the time of data collection. Persons living in collective households and in institutions are generally excluded from the target population as well as small and remote parts of the national territory amounting to no more than 2% of the national population.

**Persons at-risk-of-poverty** are those living in a household with an equivalised disposable income below the risk-of-poverty threshold, which is set at 60% of the national median equivalised disposable income (after social transfers). The equivalised income is calculated by dividing the total household income by its size determined after applying the following weights: 1.0 to the first adult, 0.5 to each other household members aged 14 or over and 0.3 to each household member aged less than 14 years old.

**Severely materially deprived persons** have living conditions constrained by a lack of resources and experience at least 4 out of the 9 following deprivation items: cannot afford 1) to pay rent/mortgage or utility bills on time, 2) to keep home adequately warm, 3) to face unexpected expenses, 4) to eat meat, fish or a protein equivalent every second day, 5) a one week holiday away from home, 6) a car, 7) a washing machine, 8) a colour TV, or 9) a telephone (including mobile phone).

**People living in households with very low work intensity** are those aged 0-59 who live in households where on average the adults (aged 18-59) worked less than 20% of their total work potential during the past year. Students are excluded.

The total number of **people at risk of poverty or social exclusion** is lower than the sum of the numbers of people in each of the three forms of poverty or social exclusion as some persons are affected simultaneously by more than one of these situations.

#### For more information

Eurostat website section dedicated to statistics on income, social inclusion and living conditions.

Eurostat database on income and living conditions.

Eurostat interactive infographic on people at risk of poverty or social exclusion in the EU.

The European Commission website dedicated to the Europe 2020 strategy.

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Vincent BOURGEAIS
Tel: +352-4301-33 444
eurostat-pressoffice@ec.europa.eu

Production of data:

Emilio DI MEGLIO Tel: +352-4301-38 378 emilio.di-meglio@ec.europa.eu







(2) Media requests: Eurostat media support / Tel: +352-4301-33 408 / eurostat-mediasupport@ec.europa.eu