

20 February 2026
 WORLD DAY OF SOCIAL JUSTICE

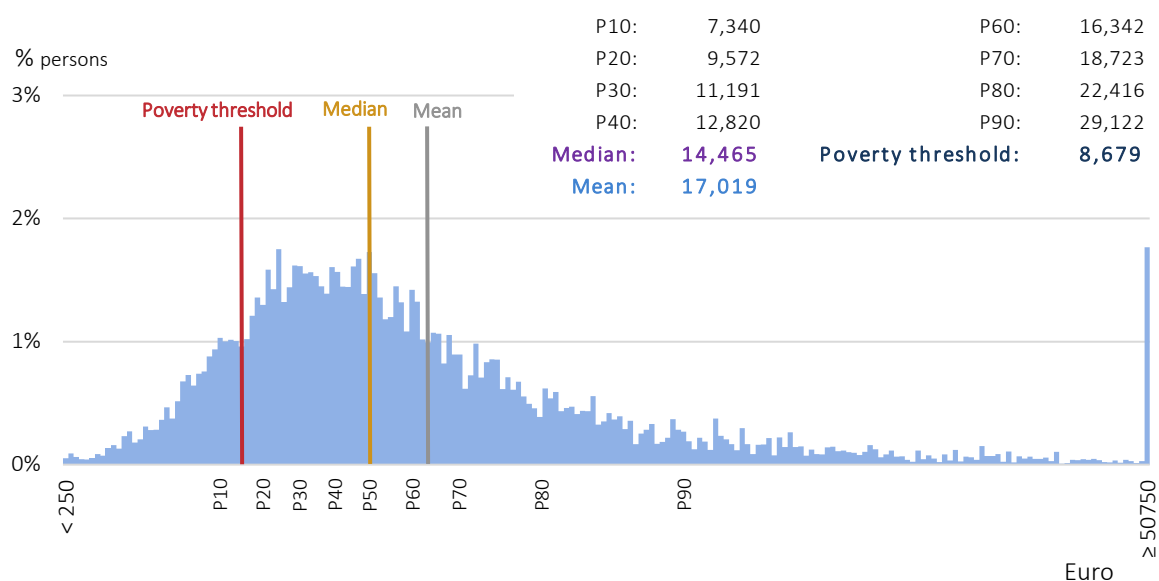
IN 2024, THE CONTRIBUTION OF TAXES TO THE REDUCTION OF INEQUALITY AS MEASURED BY THE S80/S20 RATIO WAS GREATER THAN THE CONTRIBUTION OF SOCIAL TRANSFERS

The results of the Survey on Living Conditions and Income (EU-SILC) carried out in 2025 on income from the previous year (2024) show a distribution of net monetary income per equivalent adult concentrated around the lowest values, with 15.4% of the population at risk of poverty living with an annual net monetary income per equivalent adult of less than €723 per month.

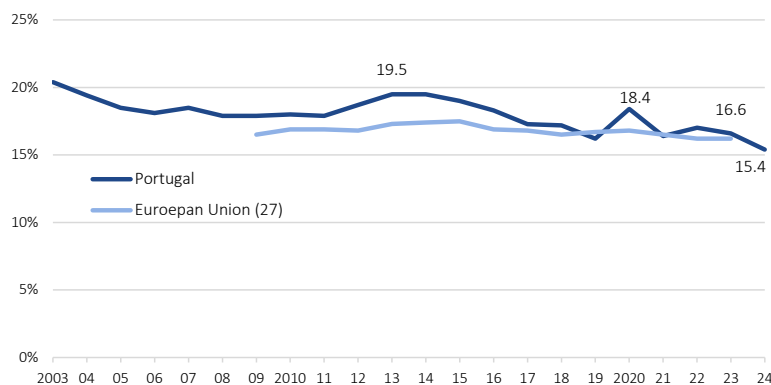
The Gini coefficient data show a positive and relatively stable contribution of direct taxes and compulsory social contributions to the alleviation of inequality in the income distribution.

In 2023⁽¹⁾, Portugal had the seventh highest S80/S20 ratio in the European Union. The contribution of taxes to the reduction of inequality in the distribution of income measured by the S80/S20 ratio was greater than the contribution of social transfers – in the case of taxes, higher than the European average and, in the case of social transfers, lower than that observed for the European Union as a whole.

In 2024, the distribution of net monetary income per equivalent adult was **positive asymmetric**, reflecting a concentration around the lowest values



⁽¹⁾ Eurostat uses the year of collection (in this case, 2024) as a time reference for the data it publishes, unlike Statistics Portugal, which considers the reference year of income (in this case, 2023).

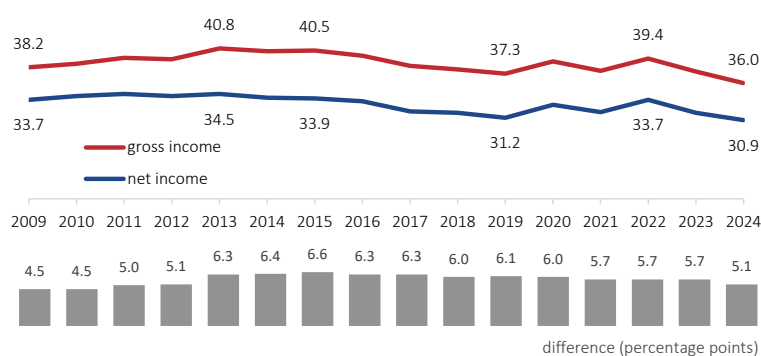


Source: Statistics Portugal, [Survey on Living Conditions and Income](#). [Eurostat](#).

The results of the Survey on Living Conditions and Income indicate that 15.4% of people were at **risk of poverty** in 2024 because they lived on a net annual monetary income per equivalent adult of less than 8,679 euros (723 euros per month)

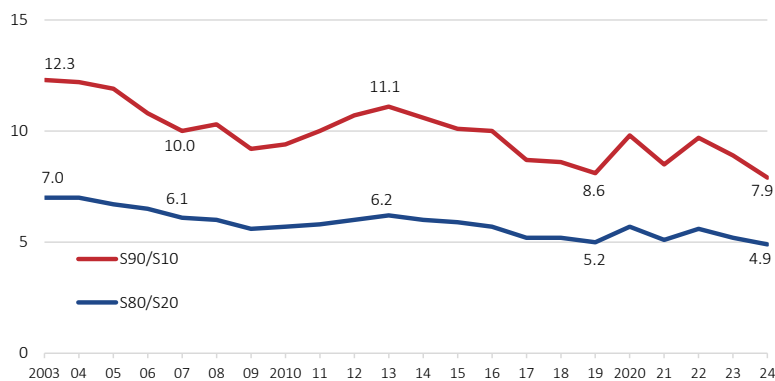
In the 15 years in which it is possible to compare with the average of the European Union of 27 (2009-2023), only in 2019 and 2021 the at-risk-of-poverty rate in Portugal was below the European average

The **Gini coefficient of cash income per adult equivalent** makes it possible to compare the levels of inequality before and after the deduction of direct taxes and mandatory social contributions: in 2024, the level of inequality before that deduction was 36.0% and after deduction 30.9% (minus 5.1 percentage points)



Source: Statistics Portugal, Survey on Living Conditions and Income ([gross](#) and [net](#) income).

The contribution of direct taxes and mandatory social contributions to the alleviation of inequality has been decreasing since 2015



Source: Statistics Portugal, Survey on Living Conditions and Income ([S80/S20](#), [S90/S10](#)).

In the last 20 years, there has been a decrease of inequality in the distribution of income in the light of these two measures

The **S80/S20** and **S90/S10** ratios are measures of inequality in income distribution that compare the extreme groups of the distribution

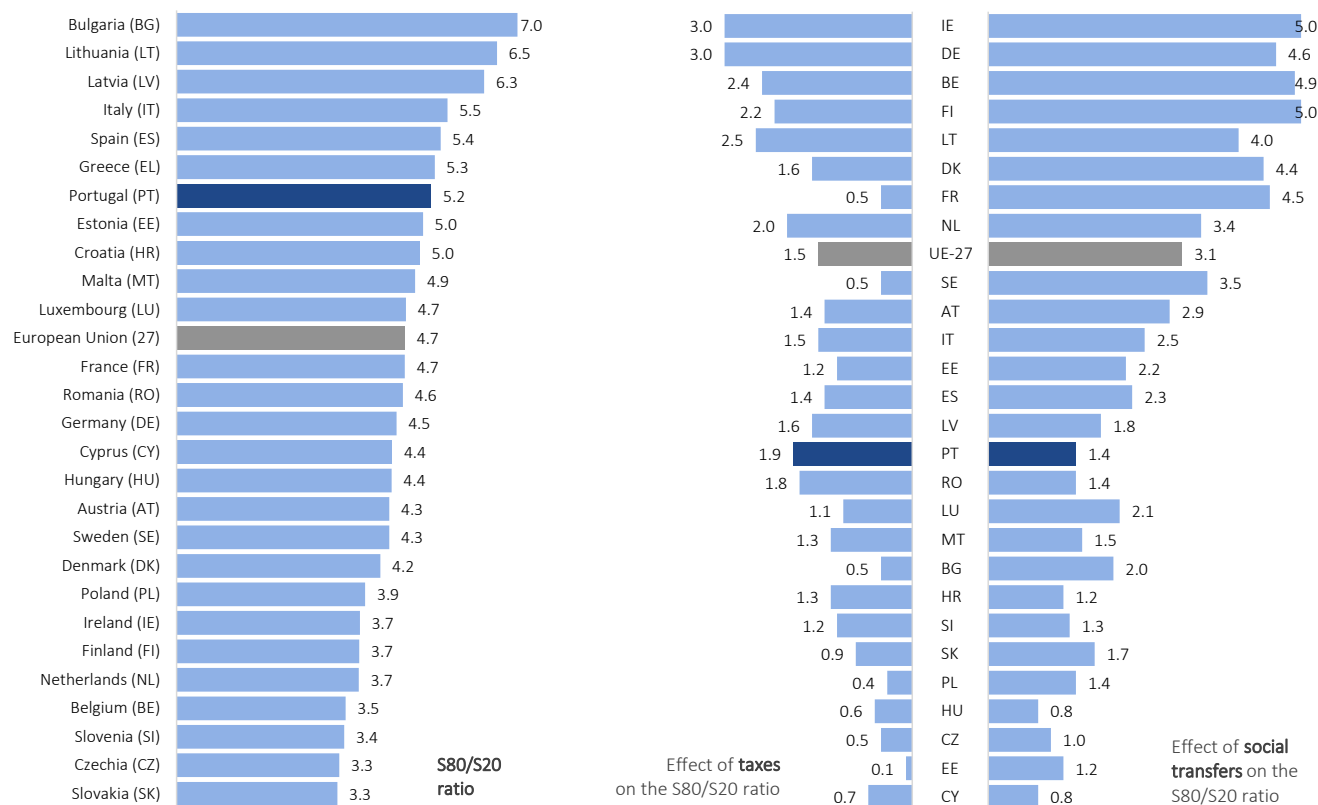
Data from 2024 reveals that:

- the 10% of the population with the highest income earned, together, an income corresponding to 7.9 times than that of the 10% with the lowest income
- the 20% of the population with the highest income earned, together, an income corresponding to 4.9 times than that of the 20% with the lowest income

In 2023, Portugal had the seventh highest S80/S20 ratio (5.2) in the European Union (4.7)

Eurostat also provides information on the contribution of taxes and social transfers to the reduction of the S80/S20 ratio and thus to the alleviation of inequality in the distribution of income

In 2023, in Portugal, the contribution of direct taxes and mandatory social contributions to the reduction of the S80/S20 ratio (1.9) was greater than the contribution of social transfers (1.4) – in the case of taxes, higher than the European average (1.5); in the case of social transfers, lower than that observed for the European Union as a whole (3,1)



Source: Eurostat [[ilc_di11g](#)].

Source: Eurostat [[ilc_di11g](#), [ilc_di11h](#)].

Note: The data for Lithuania are provisional.

Notes: Member States' ranking respects the combined effect of taxes and social transfers on the S80/S20 ratio. The data for Lithuania are provisional.

CONCEPTS

At-risk-of-poverty: resident population whose available equivalent income is below the poverty line.

At-risk-of-poverty-rate: percentage of the population with an equivalent income lower than the at-risk-of-poverty threshold, which is defined as 60% of the median equivalent income.

At-risk-of-poverty threshold: income threshold under which a household is considered to be living in risk of poverty. It was conventionalised by the European Commission as 60% of the median national equivalent income.

Equivalent income: the result of the division of the household's disposable income by its size in terms of "equivalent adults". Note: "Equivalent adults" is a unit resulting from the application of the OECD modified scale.

Gini coefficient: inequality income distribution indicator aiming at transmitting in one sole value the asymmetry of that distribution, with values between 0 (everyone having exactly the same income) and 100 (one person has all the income, while everyone else has zero income).

Household net monetary income: total monetary net annual income of a household from all sources: wages and salaries, self-employment and capital income, public and private transfers and other income sources, net of income taxes and social security contributions.

Modified OECD equivalence scale: an equivalence scale that assigns a weight of 1.0 to the first household member aged 14 or over, 0.5 to each additional member aged 14 or more and 0.3 to each member aged less than 14 years old. The use of this scale accounts for differences in size and age composition among households.

S80/S20 Ratio: inequality income distribution indicator defined as the ratio of the total income received by the 20% of the population with the highest incomes (top quintile) to that received by the 20% of the population with the lowest incomes (lowest quintile).

S90/S10 Ratio: inequality income distribution indicator defined as the ratio of the total income received by the 10% of the population with the highest incomes (top decile) to that received by the 10% of the population with the lowest incomes (lowest decile).

Social transfers (except pensions): include social transfers related to family, education, housing, sickness and disability, unemployment, and social exclusion.

FOR MORE INFORMATION

[Press release](#) – December 11, 2025