



17 December 2021

INCOME AND LIVING CONDITIONS

2021

On page 16, the figure 18 has been changed. (17-12-2021, 17h30m)

THE AT-RISK-OF-POVERTY RATE INCREASED TO 18.4% IN 2020

The Survey on Income and Living Conditions held in 2021 on previous year incomes shows that 18.4% of the population was at-risk-of-poverty in 2020, 2.2 percentage points (pp) more than in 2019. The at-risk-of-poverty rate in 2020 corresponded to the proportion of inhabitants with an annual net equivalent monetary income below EUR 6,653 (EUR 554 per month).

The increase in the at-risk-of-poverty was more severe for women (plus 2.5 pp, from 16.7% in 2019 to 19.2% in 2020), particularly in the case of older women (3.0 pp more, from 19.5% to 22.5%).

The European Union's economic growth strategy for the next decade, called the Europe 2030 strategy, defines, among other objectives, the reduction of the number of people at-risk-of-poverty or social exclusion in the European Union by at least 15 million people in 2030, and sets out a new indicator for monitoring the population at-risk-of-poverty or social exclusion, combining the conditions of relative poverty, severe material and social deprivation and a new indicator on very low work intensity per capita.

In 2021 (incomes of 2020), in Portugal, 2,302 thousand people were at-risk-of-poverty or social exclusion (people at-risk-of-poverty or living in households with very low work intensity per capita or in situations of severe material and social deprivation). Consequently, the at-risk-of-poverty or social exclusion rate was 22.4%, i.e. 2.4 pp more than in the previous year.

Portugal was, in general, a more unequal society in 2020: the Gini Coefficient, which reflects income differences across all population groups, recorded a value of 33.0%, 1.8 pp more than in the previous year (31.2%), and the S80/S20 ratio, which compared the sum of the equivalent net monetary income of the 20% of the population with the highest resources with the sum of the equivalent net monetary income of the 20% of the population with the lowest resources, increased 14%, from 5.0 in 2019 to 5.7 in 2020. Inequality has increased in all NUTS 2 regions, with the exception of the Região Autónoma dos Açores. The region Centro was the one where inequality increased the most.

The 2021 survey collected some data on the impact of the COVID-19 pandemic:

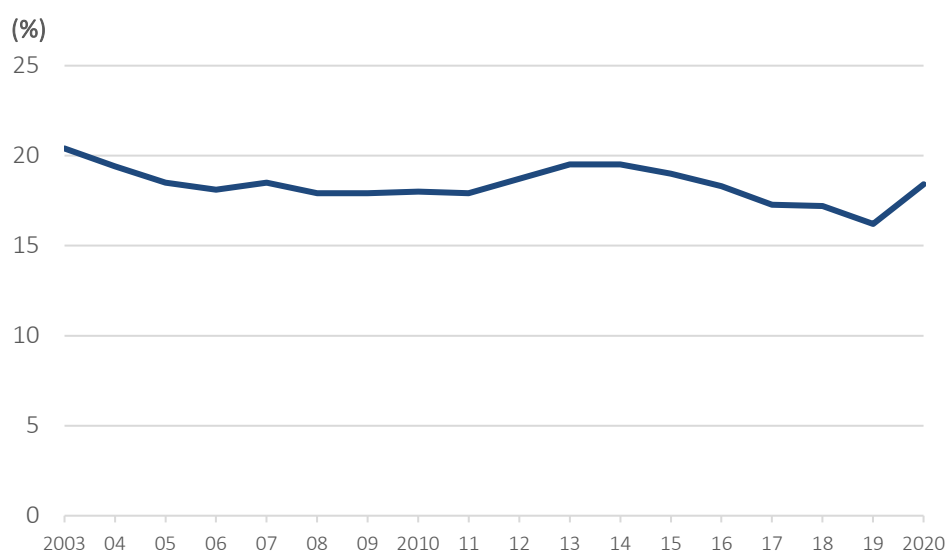
- between May and September 2021, 16.4% of families reported a reduction in household income in the previous 12 months, a figure that remains much higher than that obtained in pre-pandemic (10.3% in 2019); 27.5% of the households that reported the reduction in household income indicated the COVID-19 pandemic as the reason;
- 5.0% of households reported having received COVID-19 associated monetary support from the Government in 2020 related to the conditions of employees; 2.9% of households received self-employed support; and 2.4% of the households received monetary support related to family, children and housing.



The at-risk-of-poverty increased by 2.2 percentage points in 2020

For 2020, a year characterised by the first impact of the COVID-19 pandemic on social and economic level, the results of the Survey on Living Conditions and Income (EU-SILC) indicate that 18.4% of residents were at-risk-of-poverty, plus 2.2 pp than in the previous year (16.2% in 2019). This evolution reflects a reversal regarding the decreasing trend observed since 2015, and is also the highest annual variation in the series.

Figure 1. At-risk-of-poverty rate after social transfers, Portugal, 2003-2020



Source: INE, Survey on Living Conditions and Income 2004-2021.

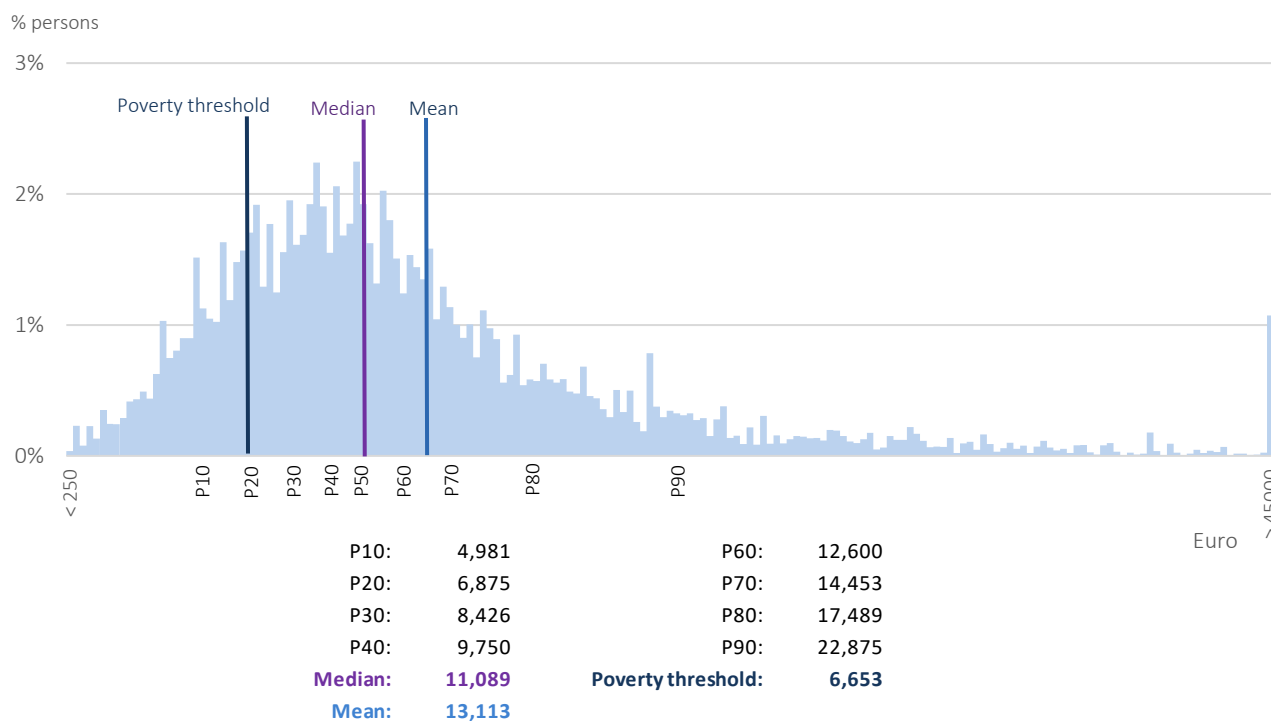
The at-risk-of-poverty rate in 2020 corresponded to the proportion of inhabitants with annual net monetary income per adult equivalent of less than EUR 6,653 (EUR 554 per month). This threshold, or relative poverty line, corresponds to 60% of the median (EUR 11,089) of the distribution of equivalent net monetary income, which increased by 2.7% in relation to the previous year (EUR10,800). In 2020, there were 1,893 thousand residents at-risk-of-poverty, 228 thousand more than the previous year (1,665 thousand people in 2019).

The growth in net monetary income in 2020 was mainly associated with increases in income from dependent work (on average, 3.9%) and income from old-age social pensions (on average, 3.5%). The results of the survey also indicate that incomes in the autonomous regions, especially in the Região Autónoma dos Açores, have grown significantly more than in Mainland.¹

¹ These results are consistent with those obtained from other sources, albeit there are some limitations in the analysis arising from the different methodologies underlying the statistical operations (as the Labour Force Survey), the administrative data on wages transmitted monthly by firms/organisations to the Social Security and the Caixa Geral de Aposentações, and the social benefits paid by the Social Security.

The distribution of net monetary income per adult equivalent in 2020 is, as expected, positive asymmetric - the mean is higher than the median and the coefficient of asymmetry is 0.15, reflecting a concentration of lower values.

Figure 2. Distribution of net monetary income per adult equivalent, Portugal, 2020

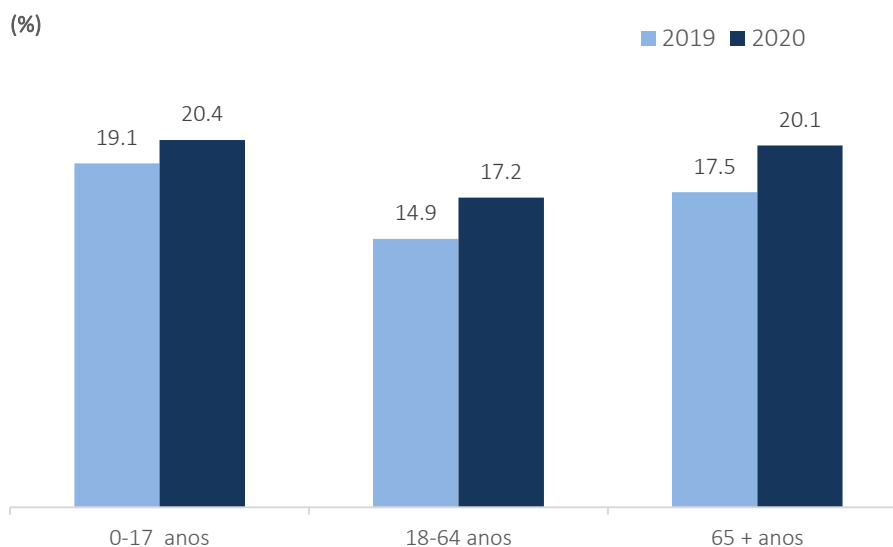


Source: INE, Survey on Living Conditions and Income 2021.

The increase in the at-risk-of-poverty was more severe for women (plus 2.5 pp , from 16.7% in 2019 to 19.2% in 2020), in particular for older women (plus 3.0 pp from 19.5% to 22.5%).

The increase in poverty affected all age groups, especially working-age adults (plus 2,3 pp) and the elderly population (plus 2.6 pp). The at-risk-of-poverty for those under 18 increased from 19.1% to 20.4%.

Figure 3. At-risk-of-poverty rate by age group, Portugal, 2019-2020



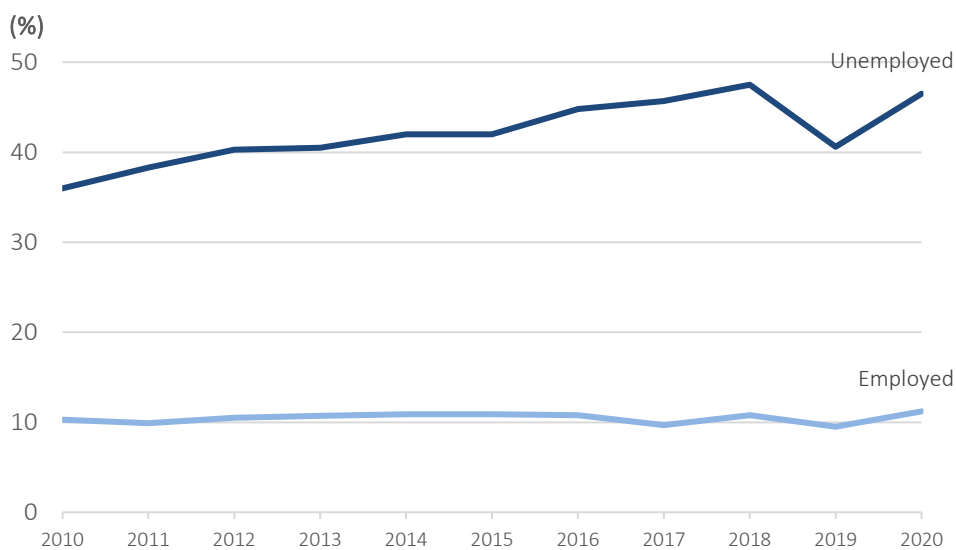
Source: INE, Survey on Living Conditions and Income 2020-2021.

The at-risk-of-poverty of the unemployed population increased to 46.5%

The at-risk-of-poverty for the unemployed population was 46.5% in 2020, plus 5.9 pp than in 2019. The proportion recorded in 2020 resumes the magnitude of 2017 and 2018 values (respectively, 45.7% and 47.5%).

The at-risk-of-poverty for the employed population increased by 1.6 pp, reaching a rate of 11.2% in 2020, the highest figure in the last 10 years.

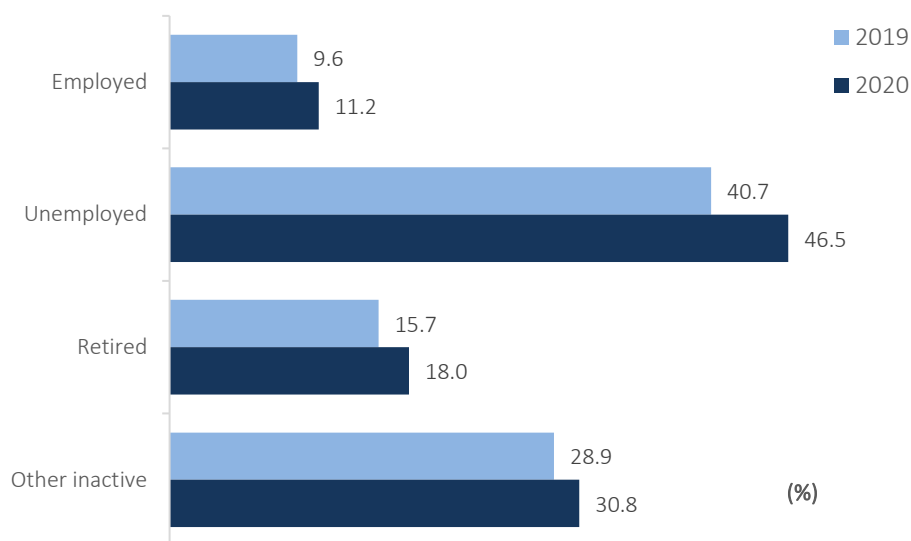
Figure 4. At-risk-of-poverty rate of the employed population and unemployed population, Portugal, 2010-2020



Source: INE, Survey on Living Conditions and Income 2011-2021.

The retired population recorded the second highest growth in relative poverty, from 15.7% in 2019 to 18.0% in 2020 (plus 2.3 pp).

Figure 5. At-risk-of-poverty rate by activity status, Portugal, 2019-2020



Source: INE, Survey on Living Conditions and Income 2020-2021.



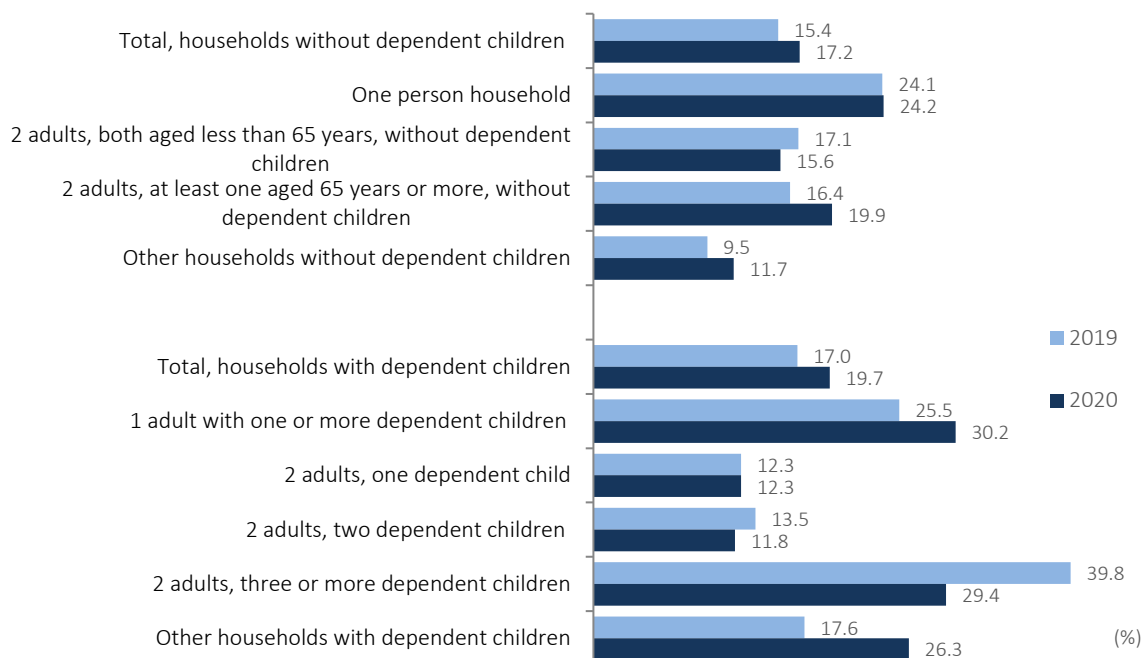
Poverty has increased mainly for households made up of children and at least 3 adults

In 2020, overall, the at-risk-of-poverty increased for households without dependent children (17.2%, plus 1.8 pp in relation to 2019) and for households with dependent children (19.7%, plus 2.7 pp than in the previous year).

Nonetheless, a detailed analysis by household type shows that some groups experienced a relative improvement in poverty between 2019 and 2020, including households consisting of two adults of working age and without children (from 17.1% to 15.6%), two adults and two children (from 13.5% to 11.8%) and two adults and three or more children (from 39.8% to 29.4%).

The risk of relative poverty increased mainly for households consisting of two adults, without children, where at least one is elderly (from 16.4% to 19.9%), for one adult and at least one child (from 25.5% to 30.2%), and for "other households with dependent children" i.e. households consisting of children and at least three adults (from 17.6% to 26.3%).

Figure 6. At-risk-of-poverty rate by household type, Portugal, 2019-2020

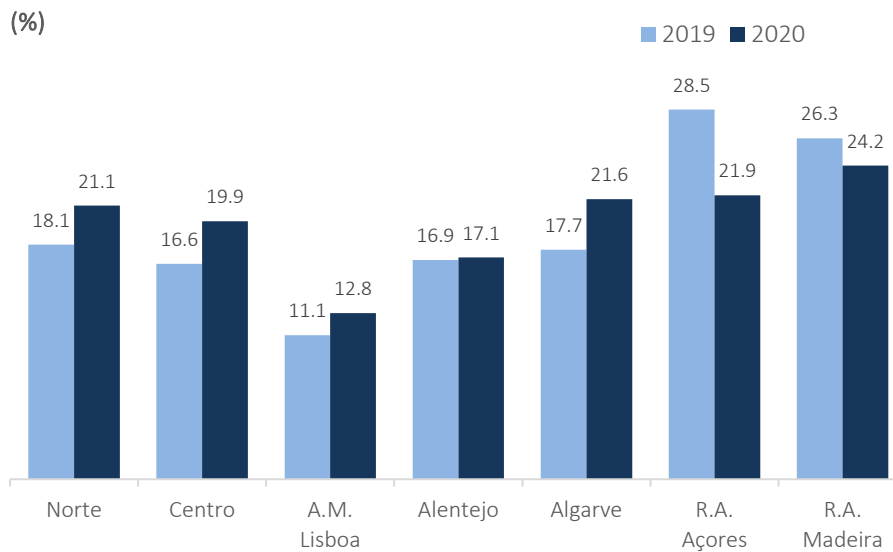


Source: INE, Survey on Living Conditions and Income 2020-2021.

And decreased in the autonomous regions

In 2020, considering the national poverty threshold, the at-risk-of-poverty increased in all regions of Mainland, mainly in Norte (plus 3.0 pp), Centro (plus 3.3 pp) and Algarve (plus 3.7 pp), and decreased in the autonomous regions (minus 6.1 pp in Região Autónoma dos Açores and 2.1 less pp in Região Autónoma da Madeira).

Figure 7. At-risk-of-poverty rate, Portugal and NUTS 2, 2019-2020



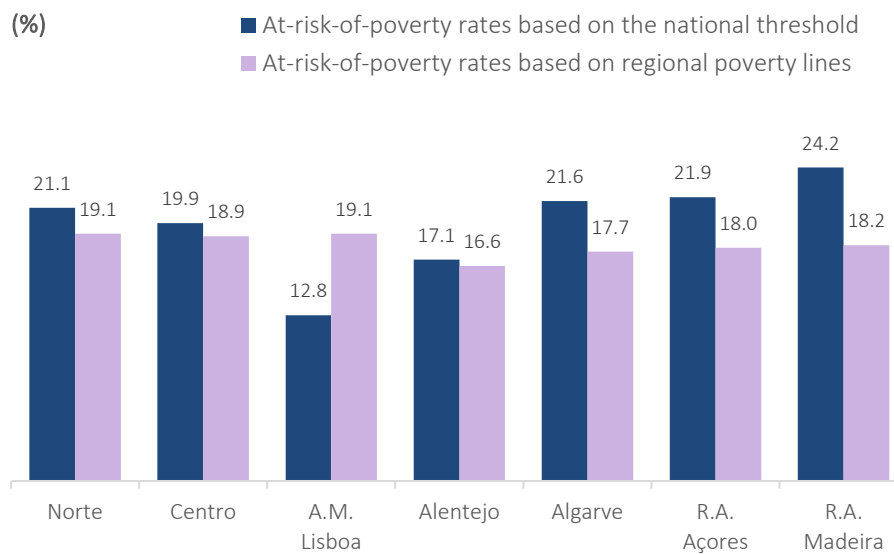
Source: INE, Survey on Living Conditions and Income 2020-2021.

This analysis can be complemented by the calculation of regional poverty lines. In each NUTS 2 region, the regional poverty line corresponds to the proportion of inhabitants in that region living with equivalent net monetary income to less than 60% of the median equivalent net monetary income of that region.

The use of regional poverty lines results in increased at-risk-of-poverty rates for regions with a median income above the national median income (19.1% in the Área Metropolitana de Lisboa) and the reduction of poverty risks for the remaining regions (very significantly, for example, in the Região Autónoma da Madeira, with 24.2%, based on the national line, and 18.2% based on the regional line).

In 2020, the risks of poverty based on the regional poverty lines show a significant approximation between regions, and enable the identification of three different groups: the regions located in the North of Tejo, with values around 19%; the Algarve region and the autonomous regions, with values around 18%; the Alentejo region with circa 17%.

Figure 8. At-risk poverty rates (calculated on the basis of the national threshold and regional poverty lines), NUTS 2, 2020



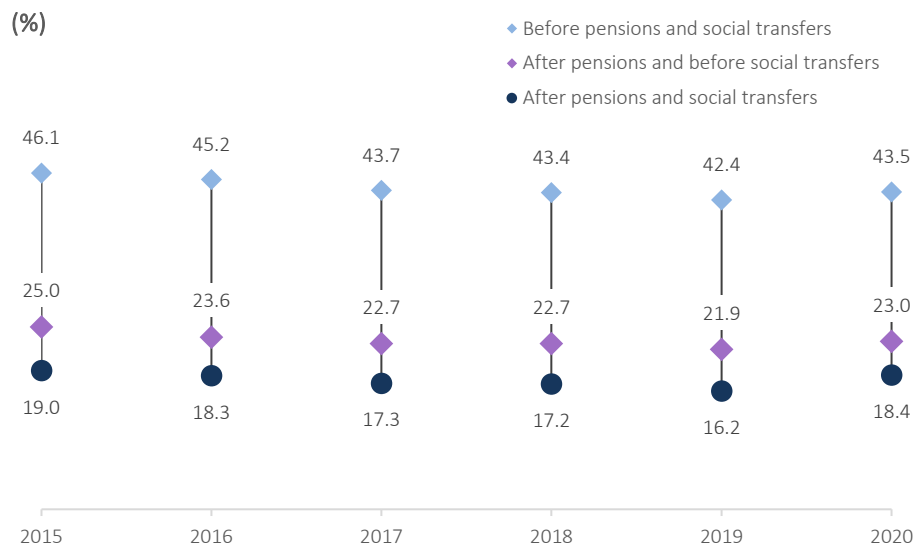
Source: INE, Survey on Living Conditions and Income 2021.

The contribution of social transfers to poverty reduction was 4.6 pp in 2020

Considering only income from employment, propriety and capital property income and private transfers, 43.5% of Portuguese residents would be at-risk-of-poverty in 2020. Income from retirement and survivors' pensions contributed to a 20.6 pp decrease in the at-risk-of-poverty rate, thus resulting in an at-risk-of-poverty rate after pensions and before social transfers of 23.0%.

Social transfers related to sickness and disability, family, unemployment, and social inclusion contributed to a reduction of 4.6 pp in the at-risk-of-poverty rate (from 23.0% to 18.4%), which is lower than in previous years.

Figure 9. At-risk-of-poverty rate considering social transfers, Portugal, 2015-2020

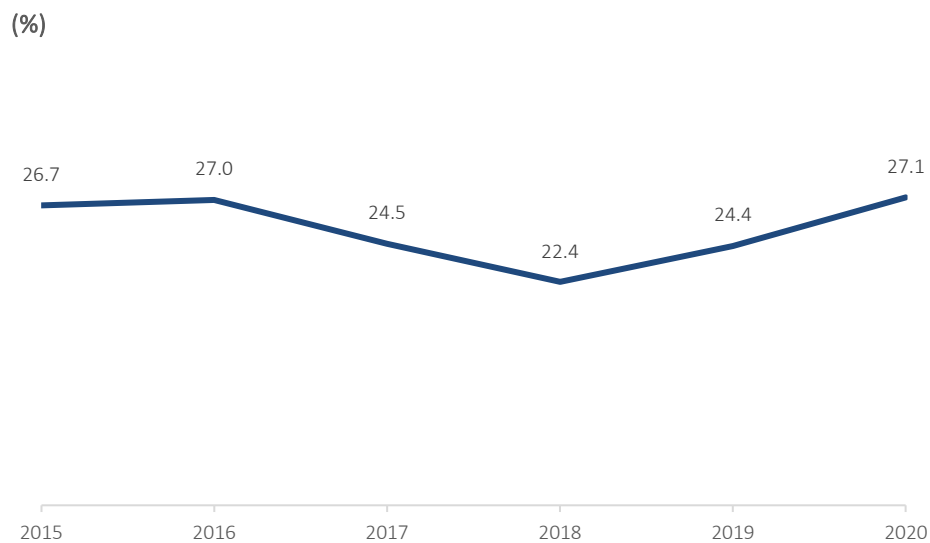


Source: INE, Survey on Living Conditions and Income 2016-2021.

The insufficient resources of the population at-risk-of-poverty continued to increase by 2020

The relative median at-risk-of-poverty gap is an indicator of the greater or lesser distance of the median income of the poorer (people living in households with annual net monetary incomes per equivalent adult below the poverty threshold) from the at-risk-of-poverty threshold, i.e. an indicator of the insufficiency of resources of the population at-risk-of-poverty. In 2020, the relative median at-risk-of-poverty gap was 27.1%, plus 2.7 pp than in the previous year (24.4%).

Figure 10. Relative median at-risk-of-poverty gap, Portugal, 2015-2020



Source: INE, Survey on Living Conditions and Income 2016-2021.

A more unequal society, except in the Região Autónoma dos Açores

There was more inequality in 2020, according to the main indicators:

- The Gini Coefficient, which takes into account the entire distribution of income, reflecting income differences between all population groups, recorded a value of 33.0%, plus 1.8 pp than in the previous year (31.2%);
- The S80/S20 ratio, which is the ratio of the net equivalent monetary income received by the 20% of the population with the highest income to that received by the 20% of the population with the lowest income, increased 14%, from 5,0 in 2019 to 5.7 in 2020;
- The S90/S10 ratio, which is the ratio of the net equivalent monetary income received by the 10% of the population with the highest income to that received by the 10% of the population with the lowest income, was 9.8, increasing 1% in relation to the previous year (8,1).

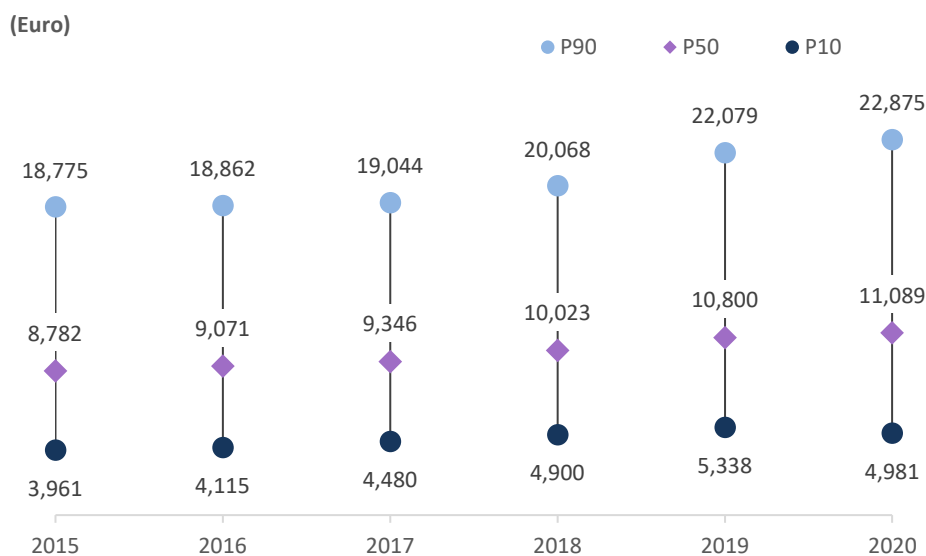
Figure 11. Income inequality indicators, Portugal, 2015-2020

	unit	2015	2016	2017	2018	2019	2020
Gini Coefficient (%)	%	33.9	33.5	32.1	31.9	31.2	33.0
S80/S20	no.	5.9	5.7	5.2	5.2	5.0	5.7
S90/S10	no.	10.1	10.0	8.7	8.6	8.1	9.8

Source: INE, Survey on Living Conditions and Income 2016-2021.

The graphic illustration of some percentiles of equivalent net monetary income confirms the increase in inequality in 2020, especially the increase in the gap between median income (P50) and the highest income value of the 10% with lower resources.

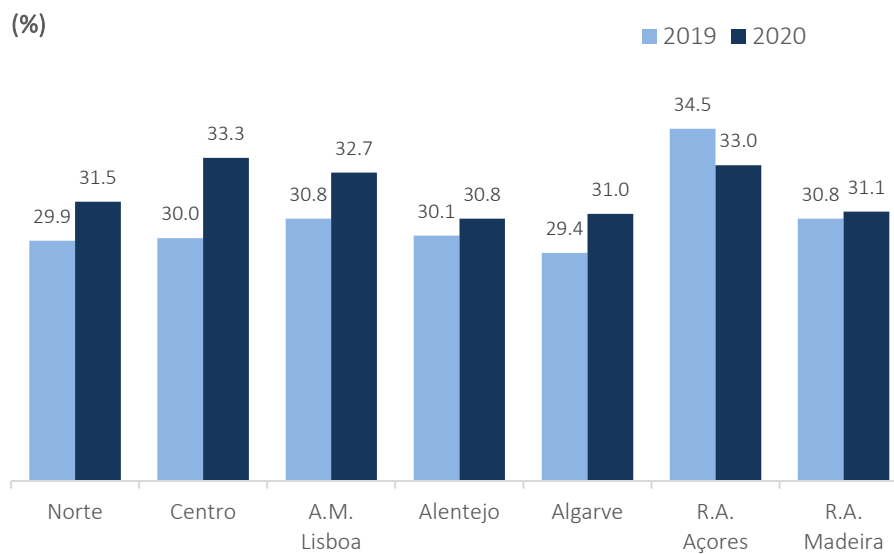
Figure 12. Some percentiles of net monetary income per adult equivalent, Portugal, 2015-2020



Source: INE, Survey on Living Conditions and Income 2016-2021.

In 2020, inequality increased in all NUTS 2 regions, with the exception of the Região Autónoma dos Açores. The Centro region was the one where inequality increased the most, from 30.0% in 2019 to 33.3% in 2020. The income distributions in the Alentejo and Algarve regions, and in the Região Autónoma da Madeira, were the least unequal in 2020.

Figure 13. Gini Coefficient, Portugal and NUTS 2, 2019-2020



Source: INE, Survey on Living Conditions and Income 2020-2021.

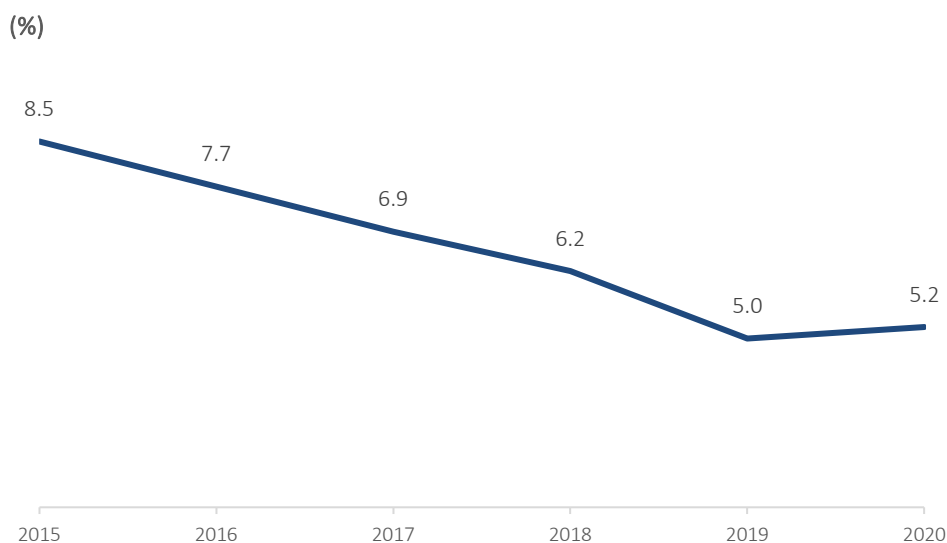
A new indicator of very low work intensity per capita

Besides income, there are other conditions that can enhance the risk of social exclusion of a household, namely the degree of participation of its members in the labour market. Following this rationale, and originally in the framework of the Europe 2020 strategy, the first indicator on very low work intensity per capita has been defined: people aged less than 60 who, in the income reference period, lived in households where adults aged 18-59 (excluding students aged 18 to 24 years old) worked on average less than 20% of the labour potential.

The current strategy, called Europe 2030, revised the indicator in order to take account that the working age usually ends by 65 years old. i.e. it currently considers in very low work intensity per capita all people under 65 years of age who, in the income reference period, lived in households in which adults aged 18-64 reported having worked, on average, less than 20% of the possible working time (excluding students aged 18 to 24 years old; the retired and/or pensioners of old age or disability, and inactive people aged 60 to 64 years living in households whose main source of income are pensions).

The new indicator, i.e. the proportion of the population under 65 years of age living in households with very low work intensity per capita was 5.2% in 2020, a figure very similar to the one recorded in the previous year (5.0%).

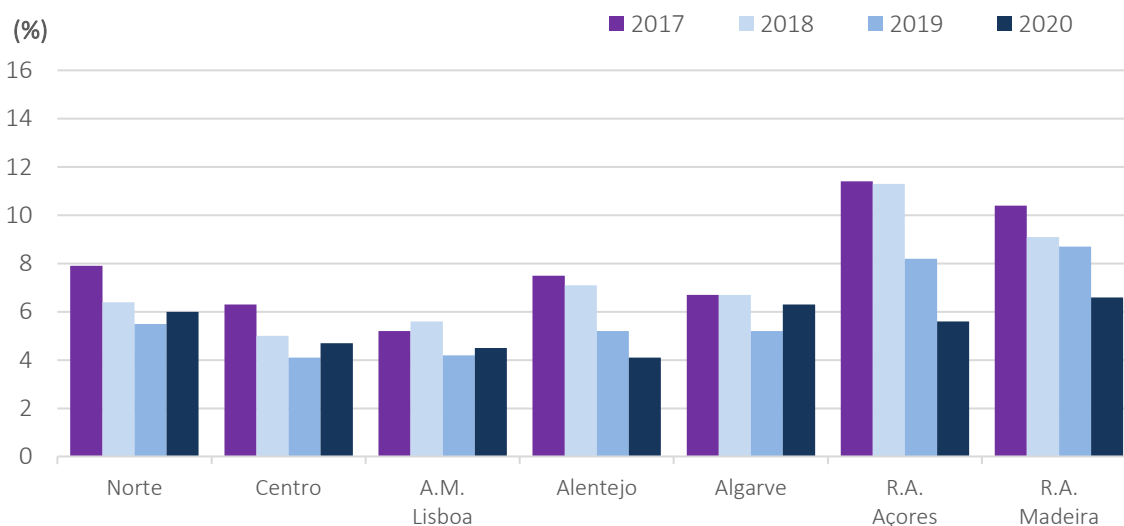
Figure 14. Very low work intensity per capita (Europe 2030), Portugal, 2015-2020



Source: INE, Survey on Living Conditions and Income 2016-2021.

The proportion of the non-elderly population living in households with very low work intensity per capita increased in almost all regions of Mainland in 2020, after a period of 3 years characterised by the downward trend of the indicator. Yet, the downward trend in the Alentejo region remained. In 2020, the autonomous regions have, for the first time, values of the magnitude obtained for the regions of Mainland.

Figure 15. Very low work intensity per capita (Europe 2030), NUTS 2, 2017-2020



Source: INE, Survey on Living Conditions and Income 2016-2021.



6.0% in severe material and social deprivation

The Europe 2030 strategy also defines the concept of material and social deprivation for monitoring poverty and social exclusion. The indicators of material and social deprivation are based on a set of thirteen items (see Figure 16) related to both social and economic needs and durable goods of households.

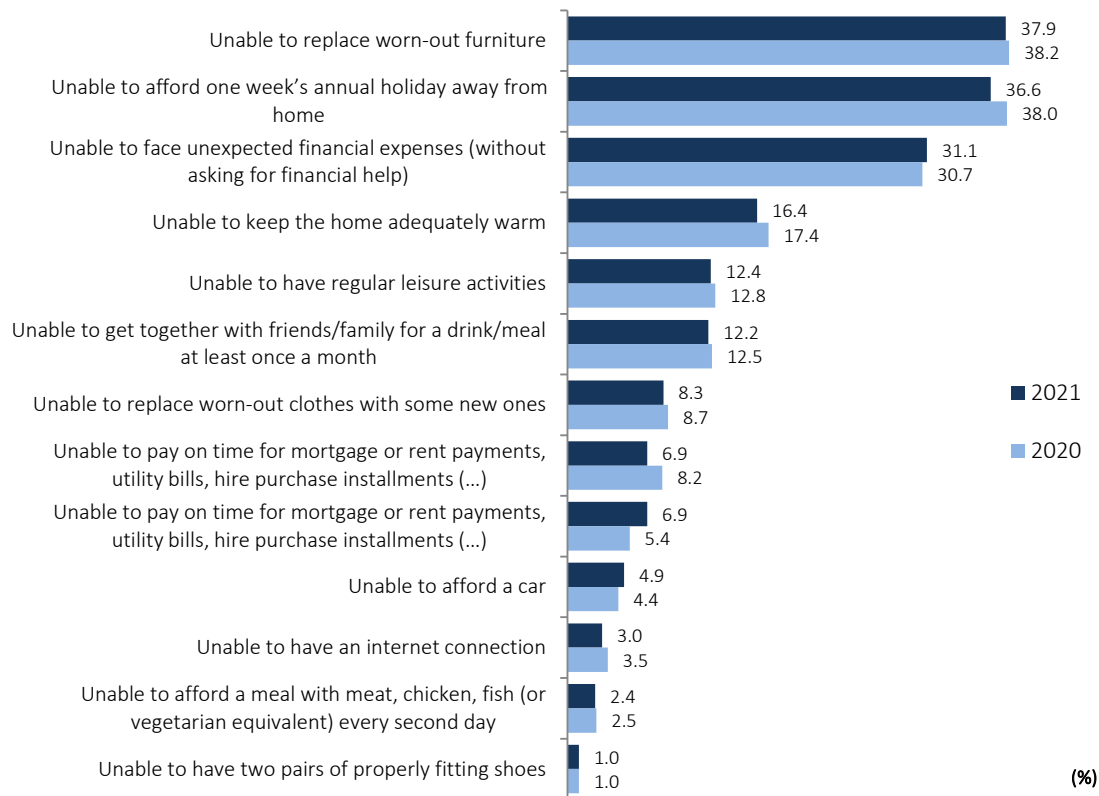
Unlike previous indicators on material deprivation, focused on the household economic and financial difficulties, the new indicators of material and social deprivation includes aspects related to the well-being of each individual (new clothing, footwear and pocket money) and leisure and social interaction. Of the thirteen items of material and social deprivation, seven respect the family as a whole and six are obtained at the individual level (see Technical Note).

The information on each item, collected from May to September 2021, and referring to the previous 12 months, confirms the downward trend of material and social deprivation, especially in the case of the following difficulties:

- 37.9% of people live in households without financial capacity to replace worn-out furniture (38.2% in 2020);
- 36.6% of people live in households unable to afford one week’s annual holiday away from home (38.0% in 2020);
- 16.4% of people live in households unable to keep the home adequately warm (17.4% in 2020);
- 12.8% of people are unable to regularly participate in a leisure activity for economic reasons (12.4% in 2020);
- 12.5% of people cannot get together with friends/family for a drink/meal at least once a month for economic reasons (12.2% in 2020).

In contrast, it stands out the increase of the percentage of people living in households unable to face an unexpected expenditure of 540 euros, close to the previous year’s monthly national at-risk-of-poverty threshold (31.1%, 0.4 pp more than in 2020) and of the percentage of people living in households unable to pay on time for mortgage or rent payments, utility bills, hire purchase installments or other loan payments (4.9%, plus 0.5 pp than in 2020).

Figure 16. Items of material and social deprivation, Portugal, 2020-2021



Source: INE, Survey on Living Conditions and Income 2020-2021.

The general indicator of material and social deprivation considers situations in which there is no access to at least five of the thirteen items due to economic difficulties. The indicator of severe material deprivation considers the situations in which there is no access to at least seven of the thirteen items for the same reasons.

In 2021, there was an increase in the two indicators, with 13.5% of people in material and social deprivation (plus 0.8 pp than in the previous year) and 6.0% in severe material and social deprivation (0.4 pp more than in 2020).

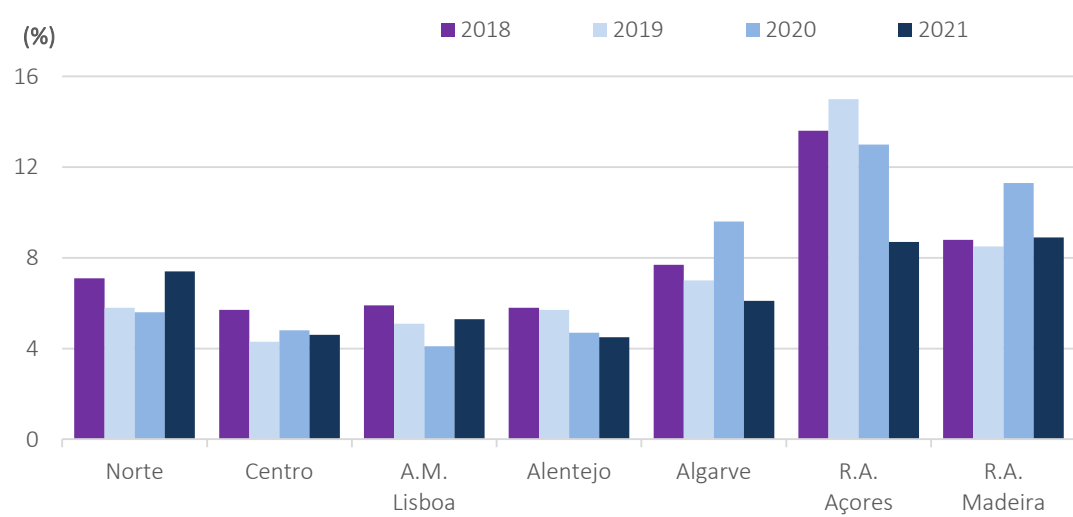
Figure 17. Indicators of material and social deprivation, Portugal, 2016-2021

	unit	2016	2017	2018	2019	2020	2021
Material and social deprivation rate	%	18.9	16.8	14.5	13.2	12.7	13.5
Severe material and social deprivation rate	%	9.1	8.0	6.6	5.6	5.4	6.0

Source: INE, Survey on Living Conditions and Income 2016-2021.

The percentage of people in severe material and social deprivation decreased in most regions of the country, except in the Norte region and Área Metropolitana de Lisboa. The decrease in the indicator in the remaining regions, in particular in the Algarve region and the autonomous regions, results in a more homogeneous distribution of material and social deprivation at regional level.

Figure 18. Severe material and social deprivation rate, NUTS 2, 2018-2021



Source: INE, Survey on Living Conditions and Income 2018-2021.

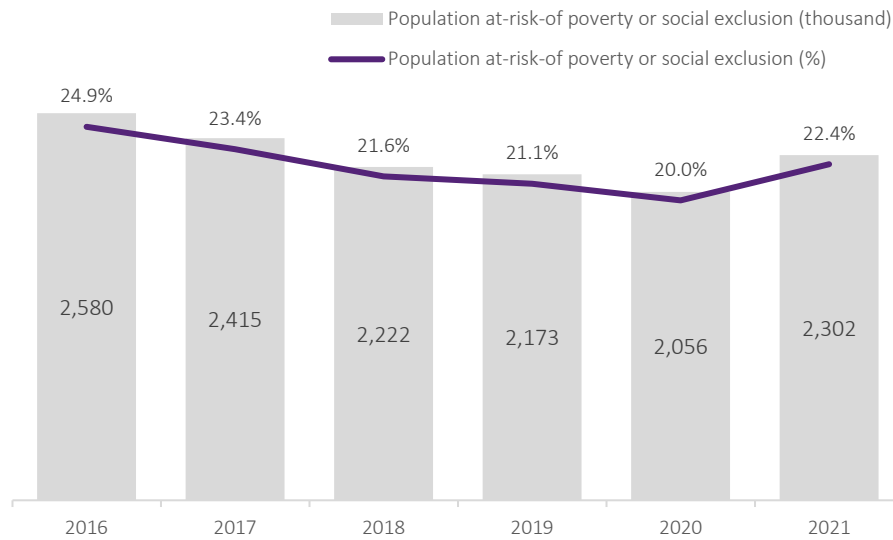
22.4% at-risk-of-poverty or social exclusion

The European Union's economic growth strategy for the next decade, called the Europe 2030 strategy, sets out, among other objectives, the reduction in the number of people at-risk-of-poverty or social exclusion in the European Union by at least 15 million people by 2030, including at least 5 million children.

The same strategy defines a new indicator for monitoring the population at-risk-of-poverty or social exclusion, combining conditions of relative poverty, severe material and social deprivation and very low work intensity per capita (see Technical Note). By EU convention, the indicator takes as a reference the year to which the severe material and social condition is referred, despite the relative at-risk-of-poverty being the determining element in its trajectory.

In Portugal, in 2021 (incomes of 2020), 2,302 thousand people were at-risk-of-poverty or social exclusion (people at-risk-of-poverty or living in households with very low work intensity per capita or in severe material and social deprivation). As a result, the at-risk-of-poverty or social exclusion was 22.4% (plus 2.4 pp than in the previous year).

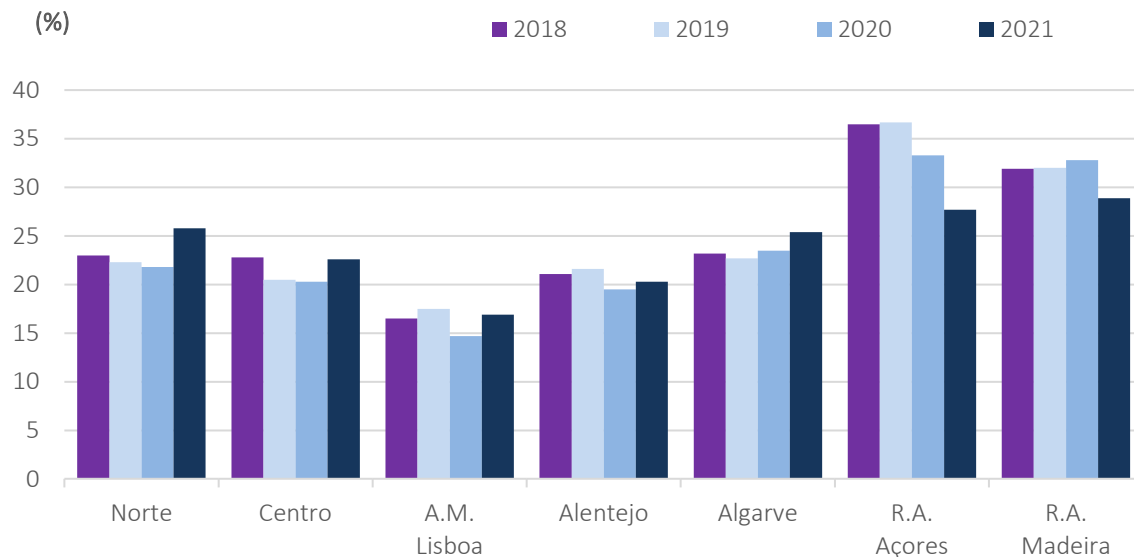
Figure 19. Population at-risk-of-poverty or social exclusion (Europe 2030), Portugal, 2016-2021



Source: INE, Survey on Living Conditions and Income 2016-2021.

As seen in the three basic indicators – poverty, very low work intensity per capita and material and social deprivation - the at-risk-of-poverty or social exclusion in 2021 is considerably more homogeneous between regions, with values for autonomous regions, which are, for the first time, less than 30%.

Figure 20. At-risk-of-poverty or social exclusion (Europe 2030), NUTS 2, 2018-2021



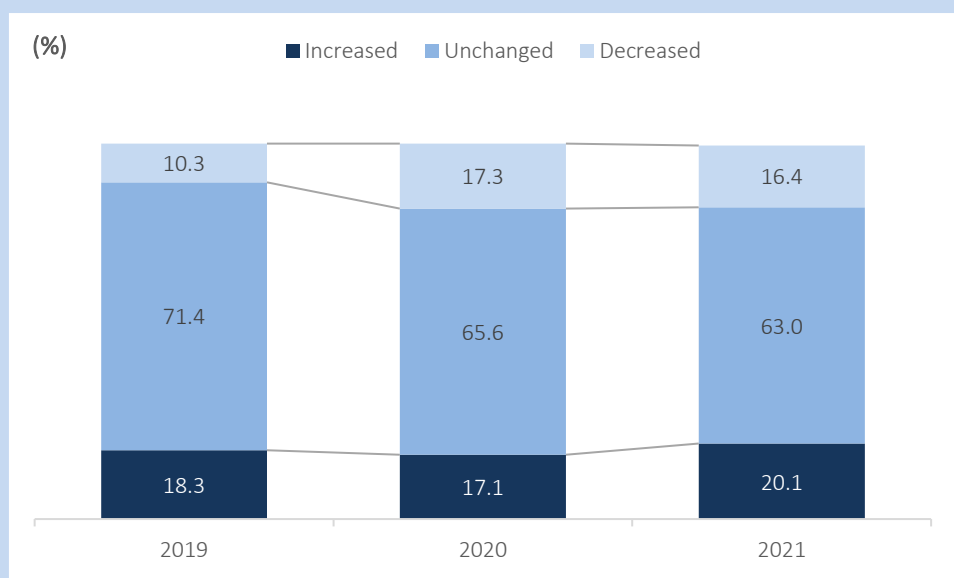
Source: INE, Survey on Living Conditions and Income 2018-2021.



Some results related to the impact of the COVID-19 pandemic

- Between May and September 2021, 16.4% of households reported a reduction in household income in the previous 12 months, a result that remains much higher than before the COVID-19 pandemic (only 10.3% of households reported a reduction in income in 2019).
- 27.5% of the households that reported the reduction in household income indicated the COVID-19 pandemic as the reason.

Figure 20. Proportion of households according to the change in household income in the 12 months prior to the interview, Portugal, 2019-2021



Source: INE, Survey on Living Conditions and Income 2019-2021.

- 5.0% of households refer having received COVID-19 related monetary support from the Government in 2020 related to the conditions of employees; 2.9% of the households reported having received support related to self-employed work; and 2.4% of the households received monetary support related to their families, children and housing.
- 31.5% of the population aged 16 years or older worked from home in 2020 during the COVID-19 pandemic (13.4% permanently and 18.1% alternated periods or days of work from home with face-to-face work); 68.5% did not work from home, mainly due to the incompatibility of professional activities with teleworking (57.9% of total people aged 16 or over).
- 26.6% of the population aged 16 years or older reported the negative effect of the COVID-19 pandemic on mental health.
- 95.2% of children aged 5 to 15 years old took distance classes during COVID-19 pandemic-related limitations.



METHODOLOGICAL NOTE

The indicators related to poverty and economic inequality were constructed based on the net annual monetary income of households in the year prior to the interview (2020). Other income sources are excluded, namely wages in kind, self-consumption and imputed rents associated with owner occupation.

As to reflect the differences in the size and composition of households, net income was transformed into equivalent income using the OECD-modified equivalence scale. Equivalent income is obtained by dividing the net income of each household by its size in number of adult equivalents and their value assigned to each household member.

Data on material and social deprivation refer to the survey data collection year (2021).

CONCEPTS

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.

Low work intensity per capita (Europe 2020): Population aged less than 60 who, in the income reference period, lived in households where adults aged 18-59 (excluding students) worked on average less than 20% of the labour potential.

Low work intensity per capita (Europe 2030): People from 0-64 years living in households where the adults (those aged 18-64, but excluding students aged 18-24 and people who are retired according to their self-defined current economic status or who receive any pension (except survivors pension), as well as people in the age bracket 60-64 who are inactive and living in a household where the main income is pensions) worked a working time equal or less than 20% of their total combined work-time potential during the previous year.

Material and social deprivation rate: percentage of population with an enforced lack of at least five out of the following thirteen items, due to economic difficulties:

- Collected at household level



a) capacity to face unexpected financial expenses (without asking for financial help); b) capacity to afford paying for one week's annual holiday away from home, paying travel and accommodation costs for all household members; c) capacity to pay on time for mortgage or rent payments, utility bills, hire purchase installments or other loan payments; d) capacity to afford a meal with meat, chicken, fish (or vegetarian equivalent) every second day; e) capacity to pay for keeping its home adequately warm; f) capacity to afford a car; g) capacity to replace worn-out furniture;

– Collected at individual level

h) Capacity to replace worn-out clothes by some new ones; i) Capacity to have two pairs of properly fitting shoes (including a pair of all-weather shoes); j) capacity to spend a small amount of money each week on him/herself; k) capacity to have regular leisure activities; capacity of getting together with friends/family for a drink/meal at least once a month; capacity to have internet connection.

In the case of items of material and social deprivation, and not child-specific indicators of deprivation, the household situation is replicated for all its members, regardless of age; in the case of deprivation items collected at the individual level, children under 16 years of age are considered to be deprived if at least half of the household members aged 16 or over reported being in deprivation.

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.

Percentile: percentiles are measures that divide the sample (sorted in ascending order of data) into 100 parts, each with an approximately equal percentage of data. The 10th percentile (P10) is the value such that 10% of the values of the variable of interest are less than or equal to P10 and the remaining (100-10)% values are greater than or equal to P10. The median is a particular case, which corresponds to the 50th percentile (P50).

Population at-risk-of-poverty or social exclusion (Europa 2020): population at-risk-of-poverty or living in households with a very low per capita labour intensity (according to Europe 2020) or severely materially deprived.

Population at-risk-of-poverty or social exclusion (Europa 2030): population at-risk-of-poverty or living in households with a very low work intensity per capita (according to Europe 2030) or severely materially or socially deprived.

Relative median at-risk-of-poverty gap: corresponds to the difference between the poverty threshold and the median income of at-risk-of poverty population in percentage.

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).

Severe material deprivation rate (9-items): percentage of population with an enforced lack of at least four out of the same nine items considered in the material deprivation rate.



Severe material and social deprivation rate (13-items): proportion of the population in which there are at least seven of the thirteen difficulties described in Material and social deprivation rate.

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

The Inquérito às Condições de Vida e Rendimento das Famílias (EU-SILC) has been held in Portugal from 2004 to 2020 within the framework of specific EU legislation (Regulation (EC) No 1177/2003), establishing a common EU program for the systematic production of statistics on poverty, deprivation, and social exclusion. From 2021, the survey shall be carried out in accordance with specific Community regulations and in accordance with Regulation (EU) 2019/1700 of the European Parliament and the Council of 10 October 2019.

This survey aims to obtain results for all those residing in Portuguese territory in the reference period, detailed by NUTS 2 as from 2018. For income, this reference period corresponds to the year prior to that when interviews are carried out.

In Portugal, the information was regularly collected on an annual basis through computer-assisted face-to-face interviews (CAPI) in the second quarter of each year. Yet, as a result of public health measures following the COVID-19 pandemic, in particular social lockdown and distancing, the survey was conducted exclusively through telephone interviews (CATI) in 2020 and 2021.

The sample size usually considers a compensation factor of the effect of the total non-responses. Being impossible to carry out face-to-face interviews due to the context of the COVID-19 pandemic, this factor has been substantially reinforced by taking into account that telephone data collection usually have lower response rates than face-to-face interviews, as well as the effect of outdating of telephone numbers in the database.

The questionnaire includes questions about the household and also about the personal characteristics of each member, in particular about the income of all members aged 16 years or older. In 2021, the survey addressed 16,478 households, of which 10,973 with full response (with data collection on 26,822 people; 23,730 with 16 and over).

Households are selected by stratified two-stage sampling, from a sampling frame of dwellings of usual residence. The longitudinal nature of the sample, as well as the limitation of the statistical burden on respondents, are ensured by setting up an annual rotational scheme involving four independent sub-samples, each one being replaced every year. Hence, each household is interviewed four times at most, and thus the overlapping of ¼ of respondents vis-à-vis the previous year is guaranteed.

Up to 2012 the sample was selected exclusively from the Master Sample, and the gradual transition to the new sampling base (constituted from the National Dwellings Register – FNA in Portuguese) was ensured through the subsamples selected between 2013 and 2016. As of 2016, the Survey annual sample, i.e. all four sub-samples are selected from the sampling frame based on the National Dwellings Register.

Sampling selection follows a NUTS 2 stratified multistage sampling design, with primary sampling units (INSPIRE grid cells of 1km²) being selected with probability proportional to the number of dwellings of usual residence, and secondary sampling units (dwellings) selected systematically in each primary sampling unit. All households and individuals residing in the selected dwellings are interviewed.



INSTITUTO NACIONAL DE ESTATÍSTICA
STATISTICS PORTUGAL

press release

DIÍSTAQUE

The estimated results were obtained using household and individual weights, calibrated by region, household size, age, and sex. In the calculation of weights, a correction factor of total non-responses was incorporated, as well as a calibration procedure based on the results of the 2021 Census for the variables at households level, and the Resident population estimates as at December 31, 2020 for the variables at the individual individual. The auxiliary variables (margins) were the number of households by NUTS 2 and the number of households according to their size (1, 2, 3 and 4 or more individuals), and, at the level of individuals, the estimates of resident population by sex and five-year age groups (except the first and last levels comprising, respectively, individuals under 16 years of age and individuals 75 years of age or older).
