



20 January 2023

INCOME AND LIVING CONDITIONS

2022

THE AT-RISK-OF-POVERTY RATE DECREASED TO 16.4% IN 2021

The Survey on Living Conditions and Income held in 2022 on previous year incomes shows that 16.4% of the population was at-risk-of-poverty in 2021, 2.0 percentage points (pp) less than in 2020. The at-risk-of-poverty rate in 2021 corresponded to the proportion of inhabitants with an annual net equivalent monetary income below EUR 6,608 (EUR 551 per month).

The decrease in the at-risk-of-poverty covered all age groups, although it was more significant for the elderly population (less 3.1 pp); the at-risk-of-poverty of those aged less than 18 years old decreased by 1.9 pp and that of working-age adults decreased by 1.6 pp.

The at-risk-of-poverty decreased for the employed (from 11.2% in 2020 to 10.3% in 2021) and for the unemployed population (from 46.5% in 2020 to 43.4% in 2021).

Social transfers related to sickness and disability, family, unemployment and social inclusion contributed to a reduction of 5.1 pp in the at-risk-of-poverty by 5.1 pp (from 21.5% to 16.4%), higher than in the previous year (4.6 pp).

In 2022 (incomes of 2021), in Portugal, 2,006 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 19.4%, i.e. 3.0 pp less than in the previous year.

Inequality decreased in 2021: the Gini Coefficient recorded a value of 32.0%, less 1,0 pp than in the previous year (33,0%), and the S80/S20 ratio, which compares 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, decreased, from 5.7 in 2020 to 5.1 in 2021. This behaviour can be explained by the evolution of the deciles of the income distribution: only the 30% of the population with the lowest incomes recorded an increase in the net monetary incomes between 2020 and 2021.

For 2022, the results of the Survey also show the improvement of the housing conditions of residents, especially for the population at-risk-of-poverty: the overcrowding rate decreased by 1.4 pp; the median housing cost was 10.2%, 0.3 pp less than in the previous year; the housing cost overburden rate reached 5.0% of the population, 0.9 pp less than in 2021.

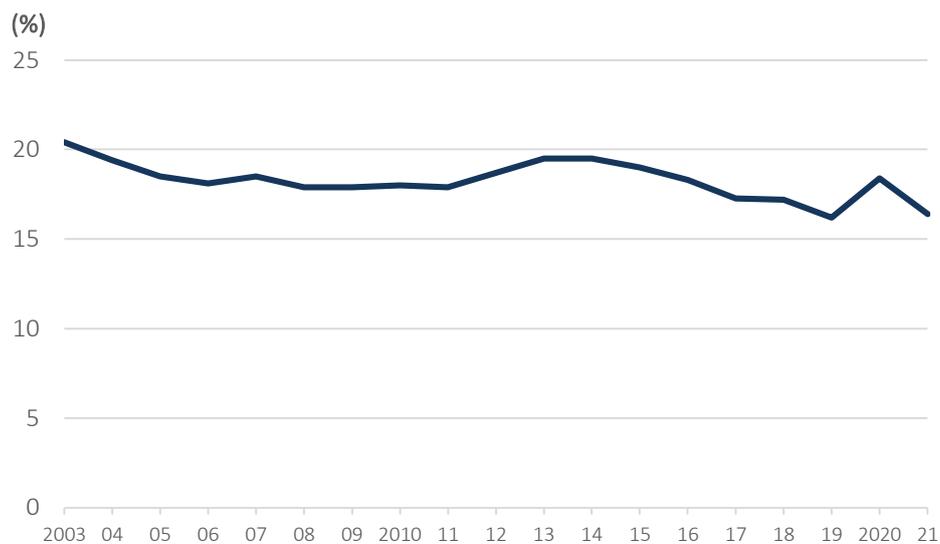
Also in 2022, the percentage of people living in households unable to keep the home adequately warm due to economic difficulties increased to 17.5%, 1.2 pp more than in 2021.



16.4% of the population at-risk-of-poverty in 2021

The results of the 2022 Survey on Living Conditions and Income (EU-SILC), carried out in 2022 on previous year incomes, shows that 16.4% of residents were at-risk-of-poverty, 2.0 pp less than in 2020 (18.4%).

Figure 1. At-risk-of-poverty rate after social transfers, Portugal, 2003-2021



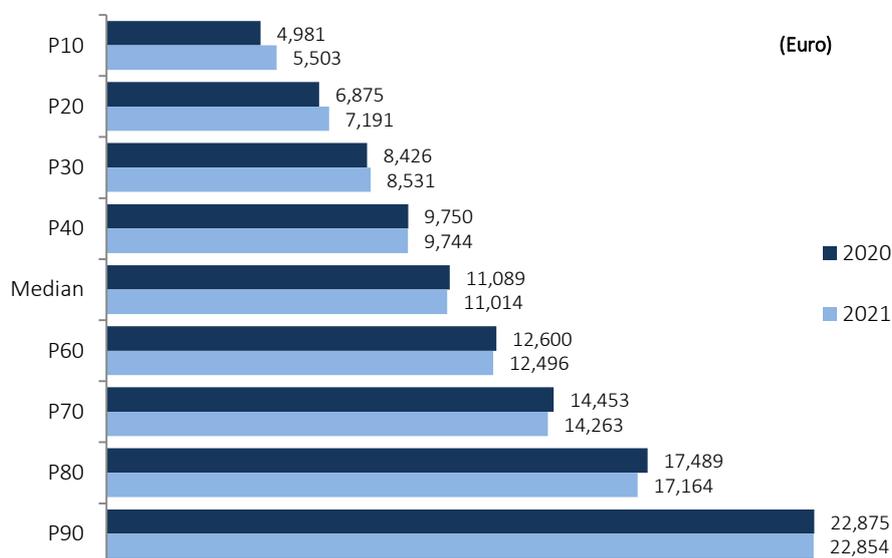
Source: INE, Survey on Living Conditions and Income 2004-2022.

The at-risk-of-poverty rate in 2021 is the proportion of inhabitants with an annual net monetary income per adult equivalent less than EUR 6,608 (EUR 551 per month). This threshold, or relative poverty line, corresponds to 60% of the median (EUR 11,014) of the distribution of equivalent net monetary income, which decreased by 0.7% in relation to the previous year (EUR 11,089). In 2021, there were 1,696 thousand residents at-risk-of-poverty, 197 thousand less than in the previous year (1,893 thousand people in 2020).

The average net monetary income per adult equivalent increased by 0.3%, from EUR 13,113 in 2020 to EUR 13,148 in 2021, mainly due to increases in the average net income from self-employment (0.9%) and old-age pensions (0.1%).

The distribution of net monetary income per adult equivalent in 2021 is, as has been observed in previous years, positive asymmetric - the average is higher than the median and the coefficient of asymmetry is 0.18. This value is higher than in the previous year (0.15), reflecting a reduction in the concentration around the lowest values. The evolution of the percentiles that divide the distribution into 10 equal parts shows that only the 30% of the population with the lowest incomes recorded an increase in net monetary income between 2020 and 2021.

Figure 2. Percentiles of net monetary income per adult equivalent, Portugal, 2020-2021



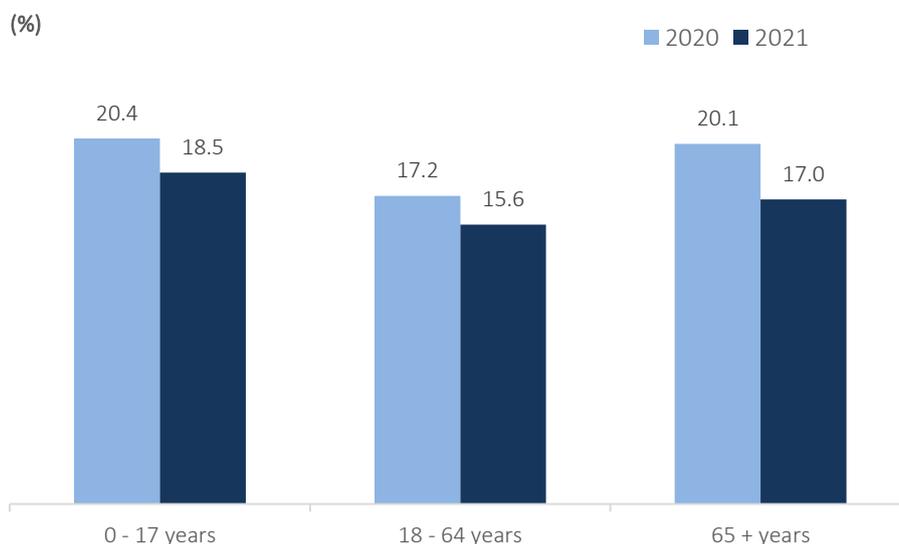
Source: INE, Survey on Living Conditions and Income 2021-2022.

The reduction of risk of poverty covered all demographic groups and was more significant for elderly population

The risk of poverty decreased mainly for women, from 19.2% in 2020 to 16.8% in 2021, just slightly higher than in 2019 (16.7%).

The decrease in poverty was extensive to all age groups, especially the elderly population (less 3.1 pp). The risk of poverty of those under 18 decreased 1.9 pp (from 20.4% in 2020 to 18.5% in 2021) and that of working-age adults decreased 1.6 pp (from 17.2% to 15.6%).

Figure 3. At-risk-of-poverty rate according to age group, Portugal, 2020-2021

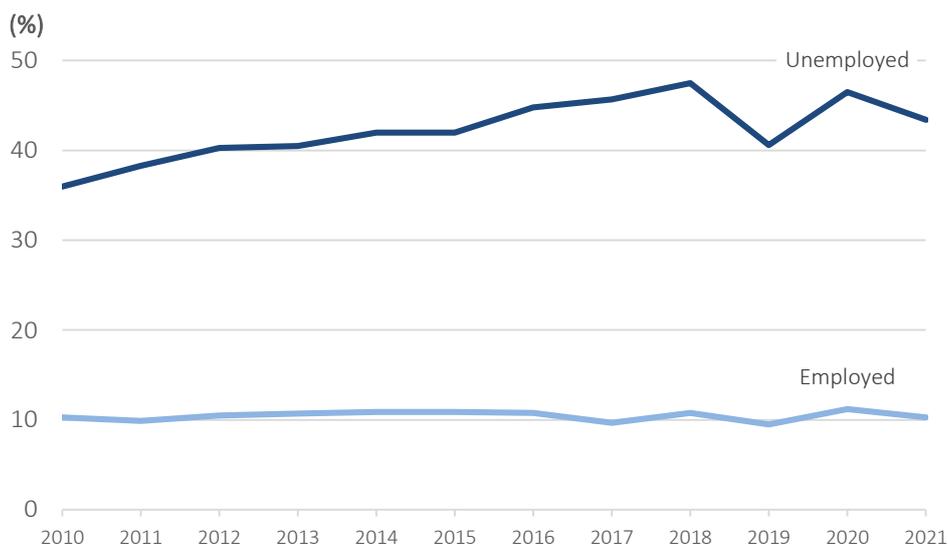


Source: INE, Survey on Living Conditions and Income 2021-2022.

The at-risk-of-poverty rate of the unemployed population decreased to 43.4%

The risk of poverty decreased for both the employed, from 11.2% in 2020 to 10.3% in 2021, and for the unemployed population, from 46.5% in 2020 to 43.4% in 2021.

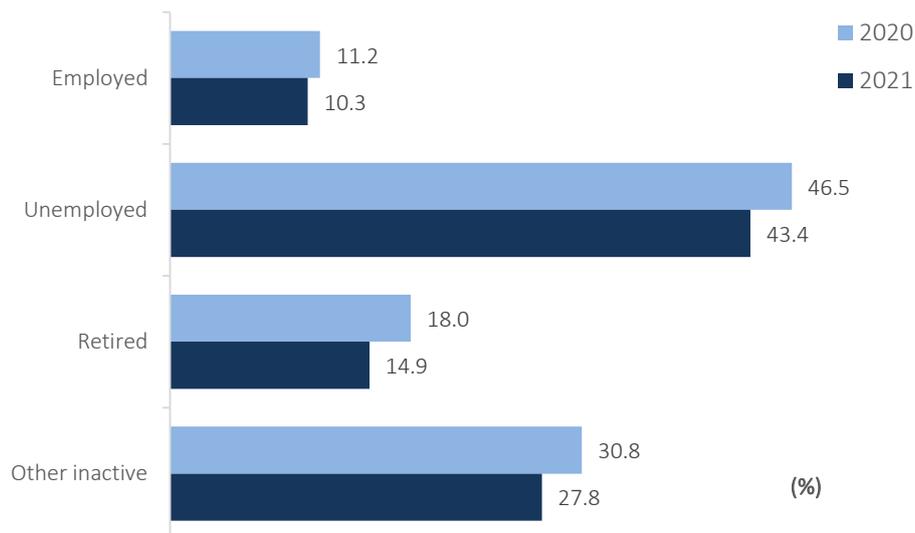
Figure 4. At-risk-of-poverty rate of the employed population and unemployed population, Portugal, 2010-2021



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

The retired population also recorded a decrease in relative poverty between 2020 and 2021, from 18.0% to 14.9% (less 3.1 pp).

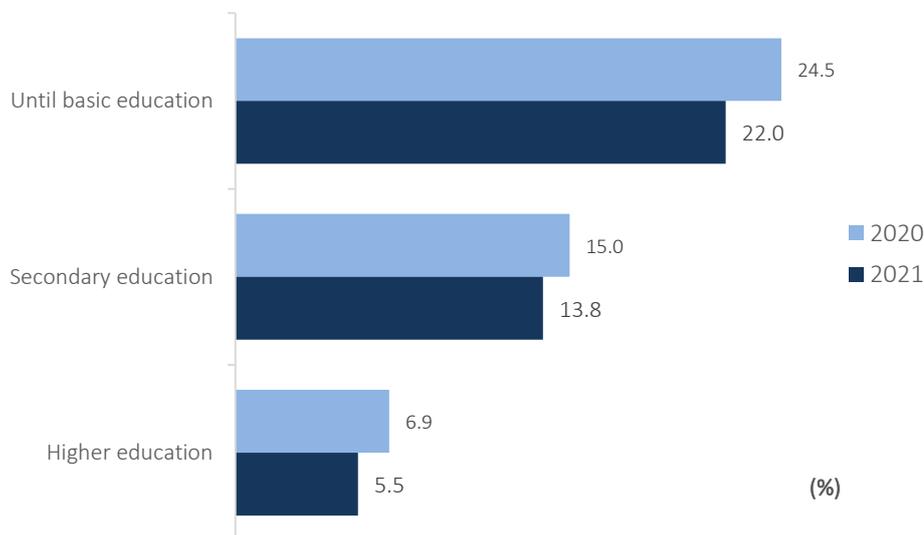
Figure 5. At-risk-of-poverty rate by activity status, Portugal, 2020-2021



Source: INE, Survey on Living Conditions and Income 2021-2022.

The at-risk-of-poverty by education level illustrates the important contribution of education to reducing this problem: while 22.0% of the population that had only completed basic education was poor in 2021, the risk of poverty dropped to 13.8 % for the population who had completed secondary education or post-secondary education, and for 5.5% of the population who had completed higher education.

Figure 6. At-risk-of-poverty rate by education level, Portugal, 2020-2021



Source: INE, Survey on Living Conditions and Income 2021-2022.

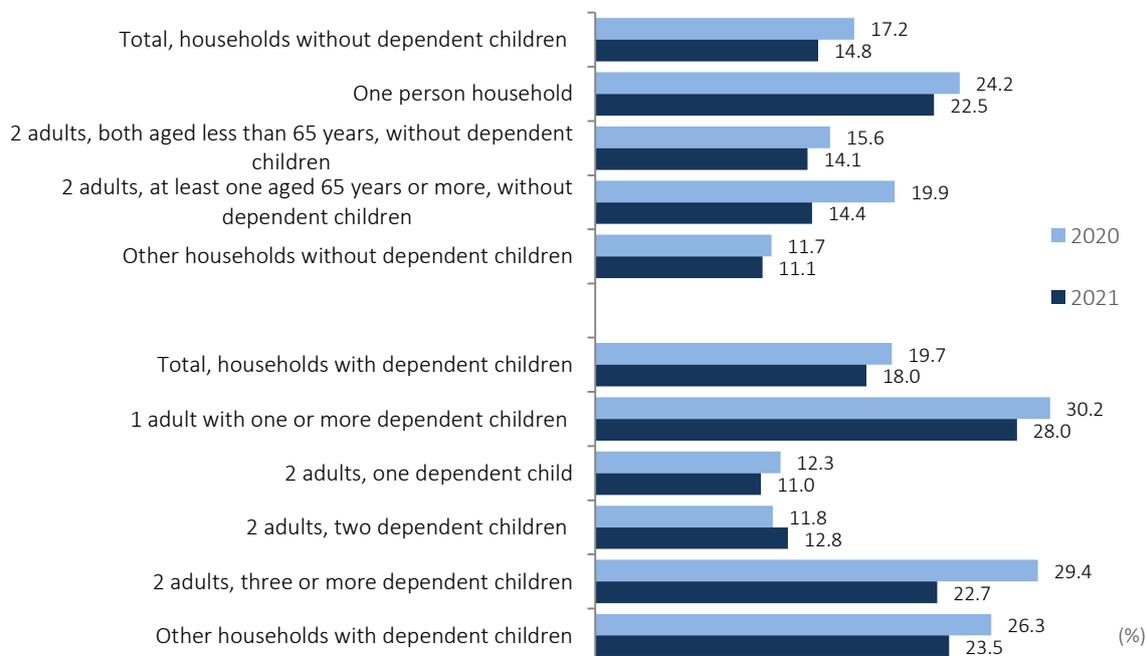
The risk of poverty increased for households made up of two adults and two children

Overall, in 2021, the at-risk-of-poverty decreased for households without dependent children (14.8%, less 2.4 pp in relation to 2020) and for households with dependent children (18.0%, less 1.7 pp than in the previous year).

The risk of relative poverty decreased mainly for households consisting of two adults, at least one aged 65 or more, without children (from 19.9% to 14.4%), and by two adults and at least three children (from 29.4% to 22.7%).

The detailed analysis of the household composition also shows the existence of a group whose relative position in terms of poverty worsened between 2020 and 2021: the risk of poverty increase from 11.8% to 12.8% for households consisting of two adults and two children.

Figure 7. At-risk-of-poverty rate by household type, Portugal, 2020-2021



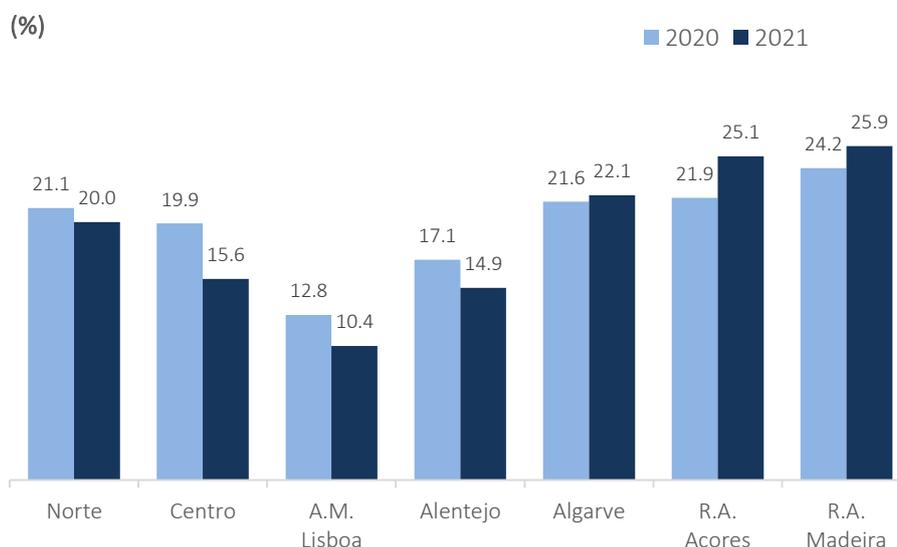
Source: INE, Survey on Living Conditions and Income 2021-2022.

The risk of poverty remains higher in the autonomous regions

In 2021, considering the national poverty threshold, the at-risk-of-poverty decreased in Norte, Centro, Área Metropolitana de Lisboa and Alentejo, and increased in Algarve (plus 0.5 pp) and in the autonomous regions (plus 3.2 pp in Região Autónoma dos Açores and 1.7 more pp in Região Autónoma da Madeira).

While the at-risk-of-poverty rate in Área Metropolitana de Lisboa was substantially lower than the national value (10.4%, i.e. 6.0 pp less than the national at-risk-of-poverty rate), the Algarve and the autonomous regions of the Açores and Madeira had at-risk-of-poverty rates of 22.1%, 25.1% and 25.9%, respectively, quite higher than the national value.

Figure 8. At-risk-of-poverty rate, Portugal and NUTS 2, 2020-2021



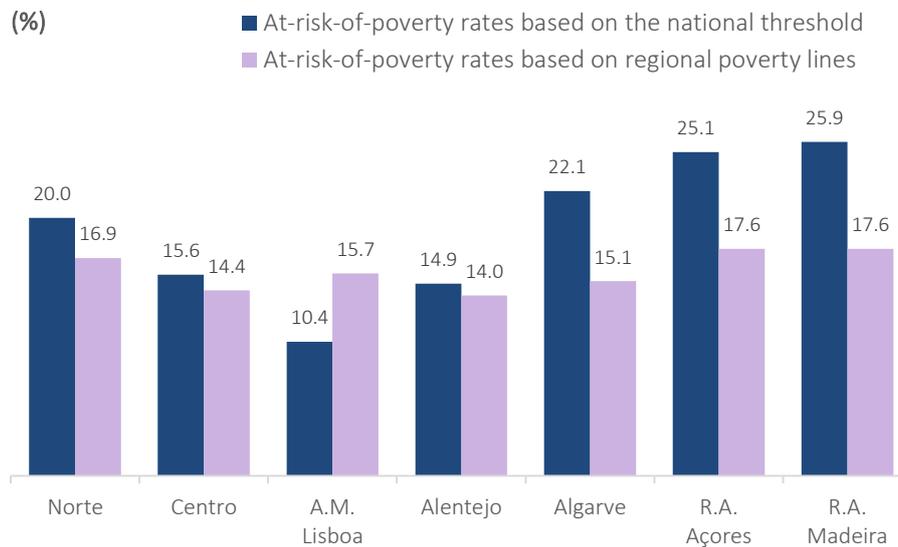
Source: INE, Survey on Living Conditions and Income 2021-2022.

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 an equivalent net monetary income lower 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 (15.7% in the Área Metropolitana de Lisboa) and the reduction of poverty risks for the remaining regions (particularly important, for instance, in the Região Autónoma da Madeira, with 25.9%, based on the national threshold, and 17.6% based on the regional line).

With the exception of Área Metropolitana de Lisboa, regional poverty lines are below the national poverty threshold, reflecting different socio-economic conditions and different costs of living.

Figure 9. At-risk-of-poverty rates (calculated on the basis of the national threshold and regional poverty lines), NUTS 2, 2021



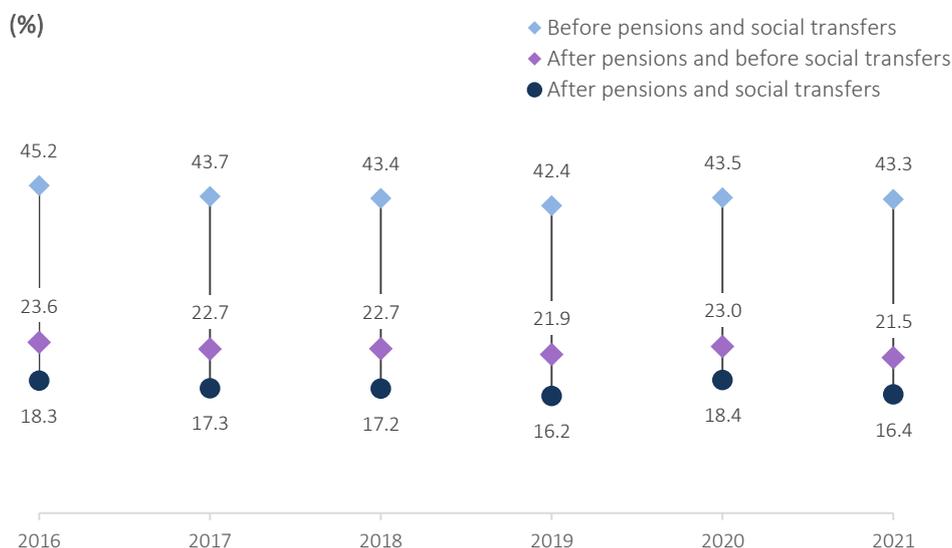
Source: INE, Survey on Living Conditions and Income 2022.

The contribution of social transfers to poverty reduction increased in 2021

Considering only income from employment, propriety and capital property income and private transfers, 43.3% of Portuguese residents would be at-risk-of-poverty in 2021. Income from retirement and survivors' pensions contributed to a 21.8 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 21.5%.

Social transfers related to sickness and disability, family, unemployment, and social inclusion contributed to a reduction of 5.1 pp in the at-risk-of-poverty rate (from 21.5% to 16.4%), higher than in previous year (4.6 pp).

Figure 10. At-risk-of-poverty rate considering social transfers, Portugal, 2016-2021



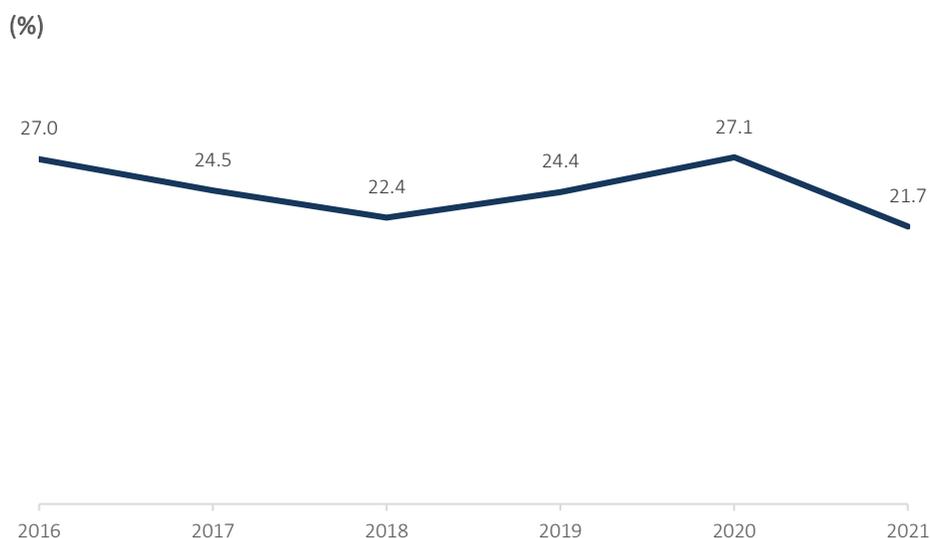
Source: INE, Survey on Living Conditions and Income 2017-2022.

The relative median at-risk-of poverty gap decreased to 21.7%

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 adult equivalent 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 (see the methodological note).

In 2021, the median net monetary income of those at-risk-of-poverty was 5,171 EUR, obtaining a relative median at-risk-of-poverty gap of 21.7%, minus 5,4 pp than in the previous year (27.1%) and the lowest value in the series which started in 2003.

Figure 11. Relative median at-risk-of-poverty gap, Portugal, 2016-2021



Source: INE, Survey on Living Conditions and Income 2017-2022.

The inequality decreased in 2021

The three main indicators of inequality have been reduced, although monetary incomes in Portugal continue to reflect a strongly asymmetric distribution:

- The Gini Coefficient, which takes into account the entire distribution of income, reflecting income differences between all population groups, recorded a value of 32.0%, less 1,0 pp than in the previous year (33.0%);
- The S80/S20 ratio, which is the ratio of the sum of net equivalent monetary incomes received by the 20% of the population with the highest incomes to the sum of net equivalent monetary incomes received by the 20% of the population with the lowest incomes, decreased 9.3%, from 5.7 in 2020 to 5.1 in 2021;
- The S90/S10 ratio, which is the ratio of the sum of net equivalent monetary incomes received by the 10% of the population with the highest incomes to the sum of net equivalent monetary incomes received by the 10% of the population with the lowest incomes, was 8.5, less than in the previous year (9.8).

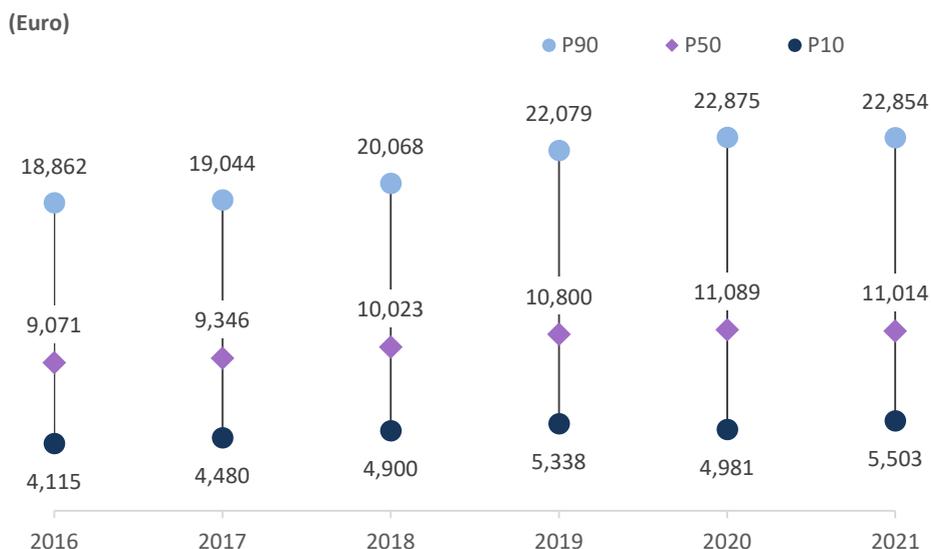
Figure 12. Income inequality indicators, Portugal, 2016-2020

	unit	2016	2017	2018	2019	2020	2021
Gini Coefficient (%)	%	33.5	32.1	31.9	31.2	33.0	32.0
S80/S20	no.	5.7	5.2	5.2	5.0	5.7	5.1
S90/S10	no.	10.0	8.7	8.6	8.1	9.8	8.5

Source: INE, Survey on Living Conditions and Income 2017-2022.

The graphic illustration of some percentiles of equivalent net monetary income confirms the decrease in inequality in 2021, mainly due to the decrease in the gap between the highest income value among the 10% with lower resources (P10) and the median income (P50).

Figure 13. Some percentiles of net monetary income per adult equivalent, Portugal, 2016-2021

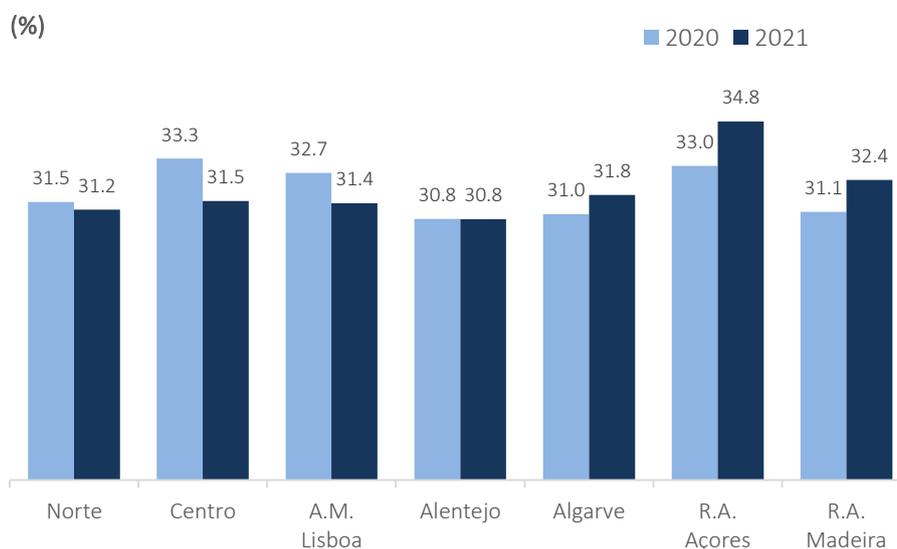


Source: INE, Survey on Living Conditions and Income 2017-2022.

By region, the Região Autónoma dos Açores was the one with the highest inequality (Gini Coefficient): 34.8%, higher than the national average (32.0%). In 2021, similarly to 2020, Alentejo region had the least unequal distribution of incomes (30.8%).

The inequality decreased in Norte, Centro and Área Metropolitana de Lisboa, kept unchanged in Alentejo and increased in Algarve, Região Autónoma dos Açores and Região Autónoma da Madeira.

Figure 14. Gini Coefficient, Portugal and NUTS 2, 2020-2021



Source: INE, Survey on Living Conditions and Income 2021-2022.

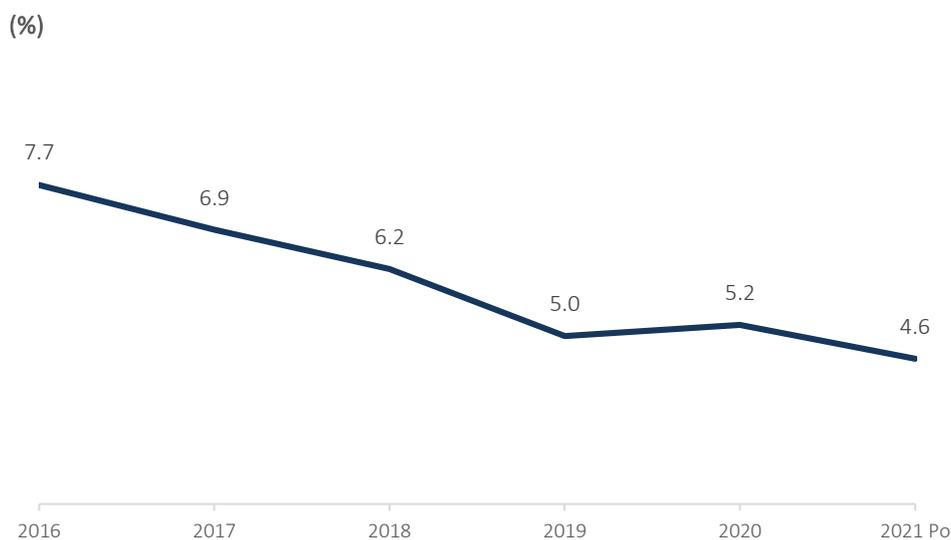
The very low work intensity per capita decreased

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. To assess this risk, the Europe 2030 strategy uses the very low work intensity per capita indicator: it considers in very low work intensity per capita all people aged less than 65 years old 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).

In 2021, the proportion of the population less than 65 years old who lived in households with very low work intensity per capita was 4.6%¹, lower than in the previous year (5.2%).

¹ Provisional data.

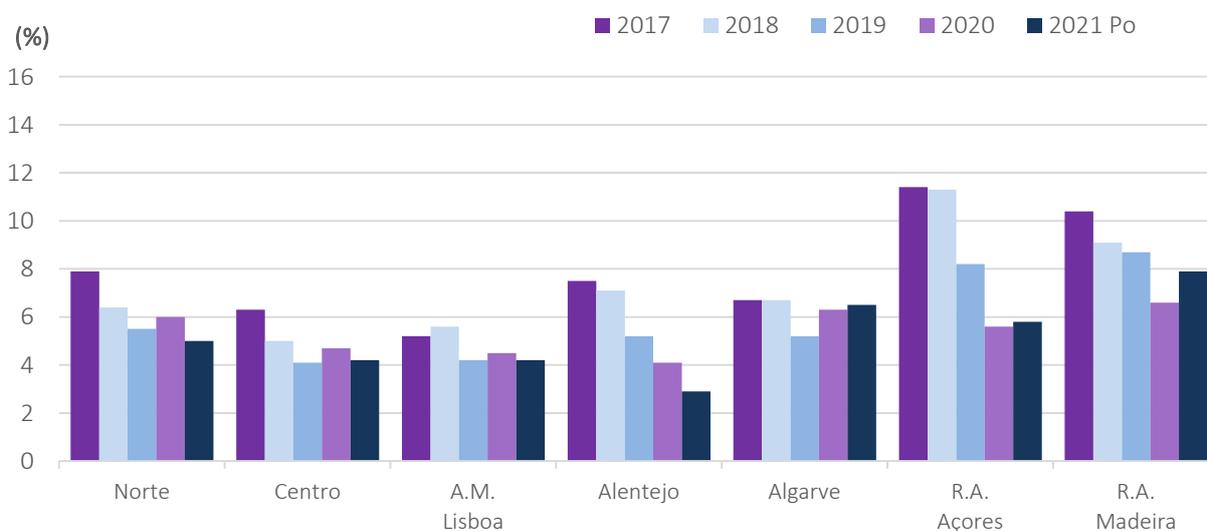
Figure 15. Very low work intensity per capita (Europe 2030), Portugal, 2016-2021



Source: INE, Survey on Living Conditions and Income 2017-2022.

In 2021, the proportion of the non-elderly population living in households with very low work intensity per capita decreased in almost all regions of Mainland, with the exception of Algarve, and in the autonomous regions. The Região Autónoma da Madeira recorded the highest value for this indicator (7.9%) as well as the largest increase, 1.3 pp more than in the previous year (6.6%).

Figure 16. Very low work intensity per capita (Europe 2030), NUTS 2, 2017-2021



Source: INE, Survey on Living Conditions and Income 2018-2022.



5.3% 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 17) 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 April to July 2022, and referring to the 12 months prior to the interview, shows the reduction in the proportion of people affected by the following limitations due to economic difficulties:

- 36.3% of people live in households without financial capacity to replace worn-out furniture (37.9% em 2021);
- 29.9% of people lived in households without the capacity to secure immediate payment, without borrowing, of an unexpected expenditure of EUR 555, which corresponds approximately to the monthly amount of the poverty line in the previous year (31.1% in 2021);
- 10.4% of people are unable to regularly participate in a leisure activity for economic reasons (12.4% em 2021);
- 9.7% of people could not spend a small amount of money with yourself weekly (12.2% in 2021);
- 7.3% of people could not replace used clothing with some new clothing (excluding second-hand clothing), 1 pp less than in 2021.

In contrast, in 2022 it stood out the increase in the percentage of people living in households unable to keep the home adequately warm (17.5%, more 1,2 pp than 2021), or nable to afford one week's annual holiday away from home (37.2%, more 0.5 pp than 2021), or unable to afford a meal of meat or fish (or vegetarian equivalent) every second day (3.0%, more 0.6 pp than 2021).

Figure 17. Items of material and social deprivation, Portugal, 2021-2022



Source: INE, Survey on Living Conditions and Income 2021-2022.

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 2022, there was an decrease in the two indicators, with 12.0% of people in material and social deprivation (less 1.5 pp than in the previous year) and 5.3% in severe material and social deprivation (0.7 pp less than in 2021).

Figure 18. Indicators of material and social deprivation, Portugal, 2017-2022

	2017	2018	2019	2020	2021	2022
Material and social deprivation rate	16.8	14.5	13.2	12.7	13.5	12.0
Severe material and social deprivation rate	8.0	6.6	5.6	5.4	6.0	5.3

unit: %

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



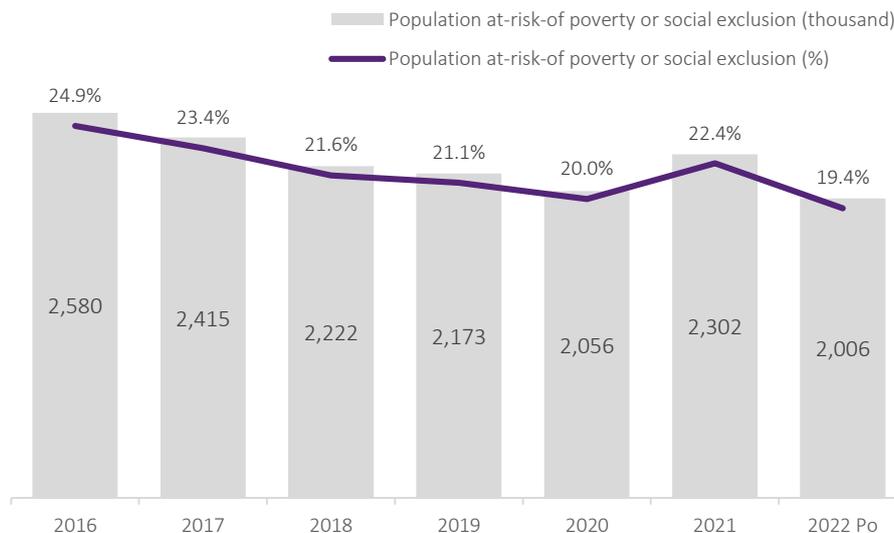
19.4% at-risk-of-poverty or social exclusion

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 2022 (incomes of 2021), 2,006² 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 19.4%².

Figure 19. Population at-risk-of-poverty or social exclusion (Europe 2030), Portugal, 2016-2022

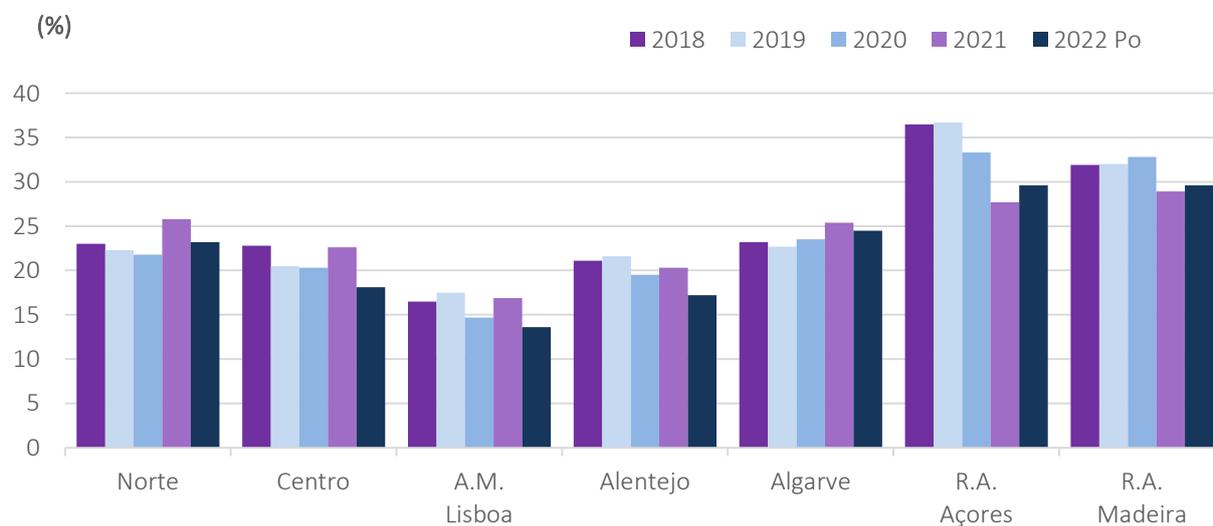


Source: INE, Survey on Living Conditions and Income 2016-2022.

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 2022 decreased in all Mainland regions, unlike the Autónoma dos Açores (29.6%) and the Região Autónoma da Madeira (29.6%) where it increased, besides remaining relatively higher.

² Provisional data.

Figure 20. At-risk-of-poverty or social exclusion (Europe 2030), NUTS 2, 2018-2022



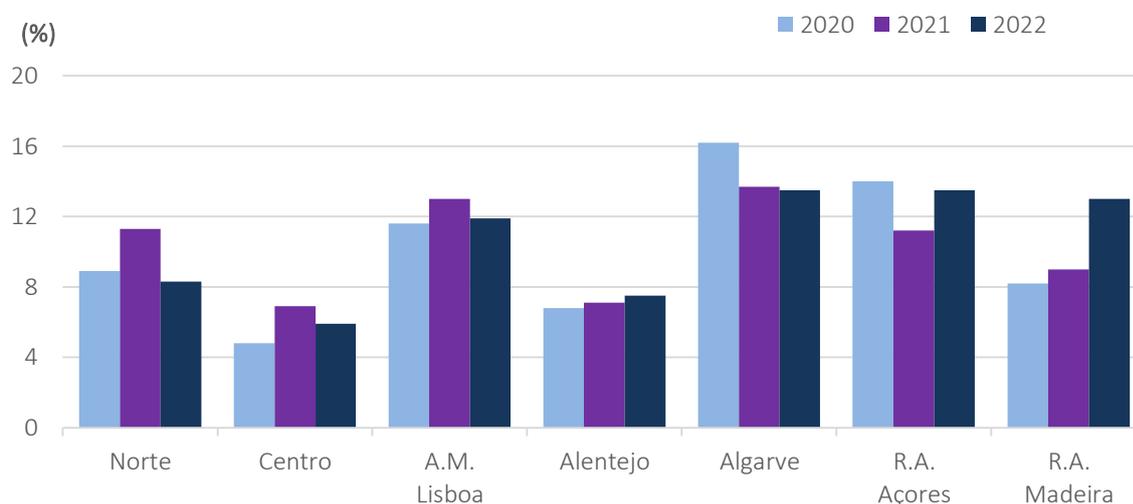
Source: INE, Survey on Living Conditions and Income 2018-2022.

The adverse housing conditions decreased

The results of the Survey on Living Conditions and Income also indicate that, in 2022, 9.2% of people lived in a condition of lack of space, where the number of rooms ($\geq 4 \text{ m}^2$) was insufficient for the households's dimension and demographic composition, 1.4 pp less than in the previous year.

An overcrowding condition mainly affected residents in the Algarve (13.5% of residents), Região Autónoma dos Açores (13.5%) and Região Autónoma da Madeira (13.0%).

Figure 21. Overcrowding rate, NUTS 2, 2020-2022

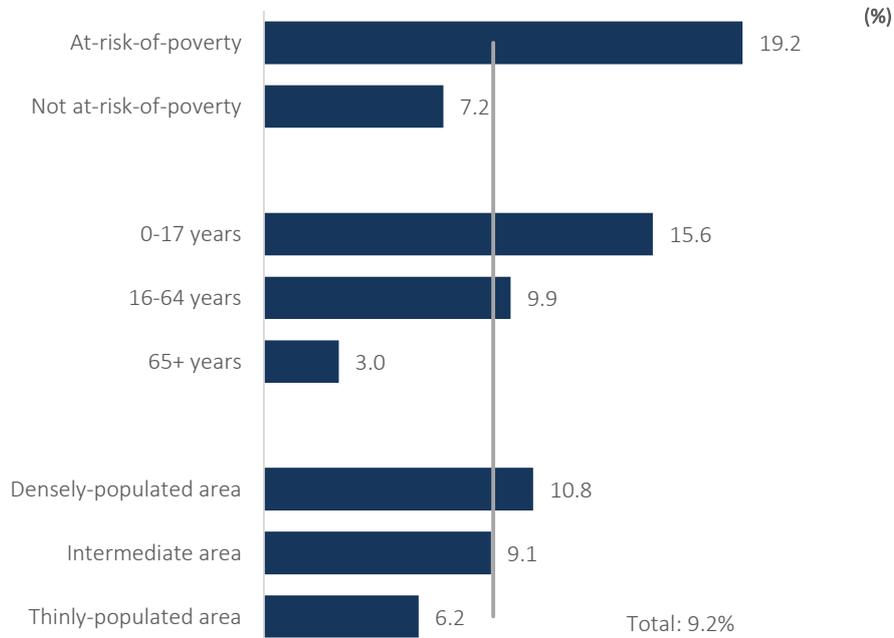


Source: INE, Survey on Living Conditions and Income, 2020-2022.

Living in overcrowded housing was, in 2022, a condition that mainly affected families at-risk-of-poverty (19.2%) and families living in densely populated areas (10.8%).

In the same year, the overcrowding rate of housing was higher for younger people (15.6% for the age group up to 17 years), decreasing with increasing age (9.9% for adults and 3.0% for the elderly).

Figure 22. Overcrowding rate by poverty status, age group and degree of urbanization, Portugal, 2022



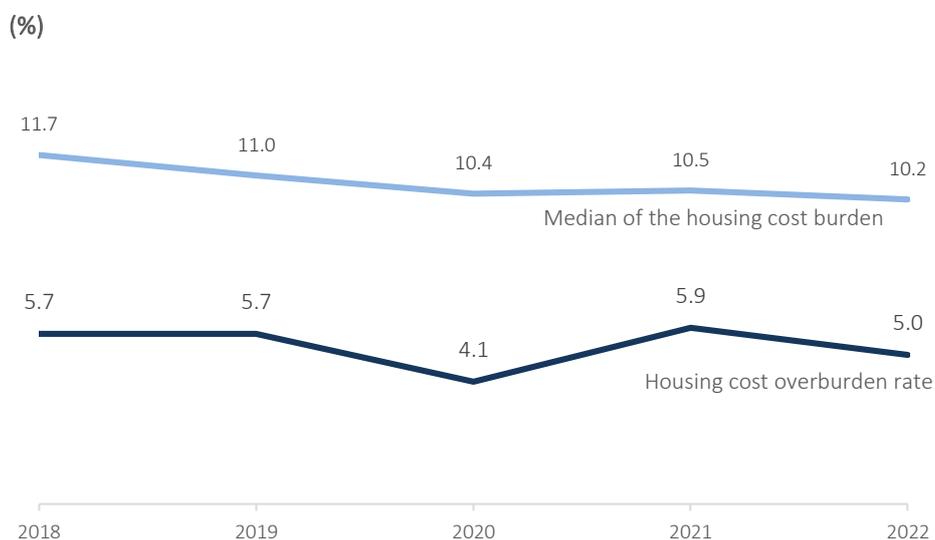
Source: INE, Survey on Living Conditions and Income, 2022.

The population affected by the housing cost overburden rate has decreased

The indicators associated with housing expenditures, in particular the median burden and the housing cost overburden rate, make it possible to assess the importance of the costs associated with access and using housing in household disposable income. These indicators are based on the burden of housing-related expenditure, that is the ratio between annual housing-related expenditure and household disposable income, minus social transfers relating to housing. Housing expenses include those related to water, electricity, gas or other fuels, condominium, insurance, sanitation, small reparations, as well as rents and interest on principal housing credit.

In 2022, the median burden of housing expenses was 10.2%, lower by 0.3 pp than in the previous year. For the population at risk of poverty, the median housing expenditure was 20.1% in 2022 (2.8 pp less than the percentage recorded in 2021). However, for the remaining population it was 9.2%, slightly higher than in the previous year (9.1%).

Figure 23. Housing deprivation indicators, Portugal, 2018-2022



Source: INE, Survey on Living Conditions and Income, 2018-2022.

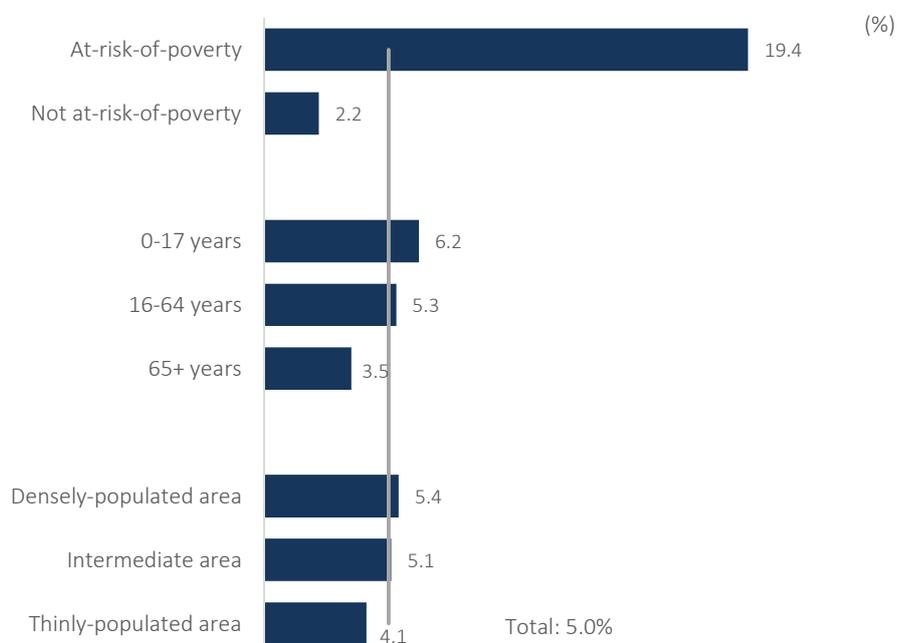
The housing cost overburden rate, which corresponds to the proportion of people living in households where the ratio between annual housing and disposable income (minus social transfers related to housing) is more than 40%, reached 5.0% in 2022, 0.9 pp less than in the previous year (5.9%).

The decrease in the housing cost overburden rate was transversal to all NUTS 2 regions, with the exception of the Alentejo region.

In 2022, 19.4% of the population at-risk-of-poverty was under an housing cost overburden, compared to 2.2% for the rest of the population. The burden of these expenditures was reduced in the case of the population at-risk-of-poverty, but increased by 0.4 pp for the rest of the population (1.8% in 2021).

The housing cost overburden rate in 2022 did not present significant differences by degree of urbanization of the area of residence of individuals, being 5.4% in densely populated areas, 5.1% in the medianly populated and 4.1% in the scant populations.

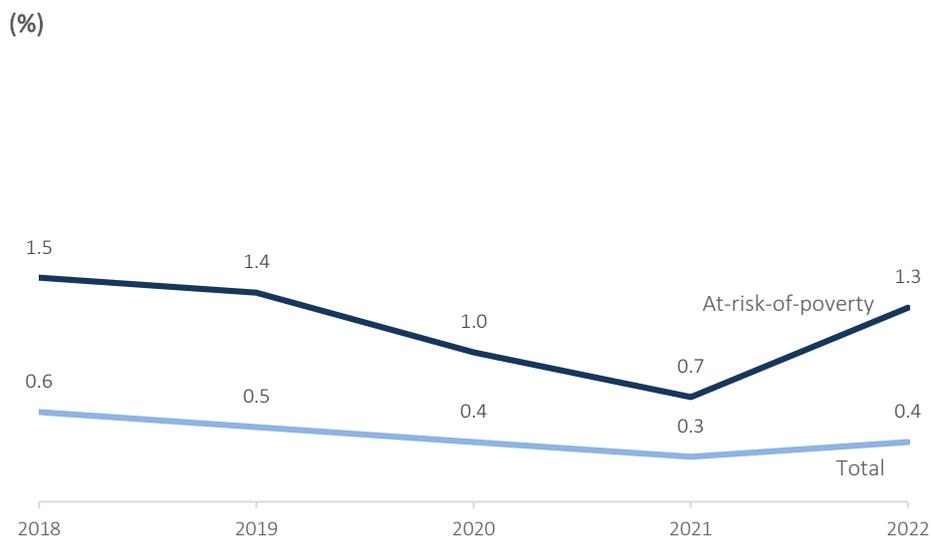
Figure 24. Housing cost overburden rate by poverty status, age group and degree of urbanisation, Portugal, 2022



Source: INE, Survey on Living Conditions and Income, 2022.

In 2022, the indicator associated with the proportion of the resident population living without bathtub, shower and toilet inside accommodation increased to 0.4% of the general population (0.3% in 2021) and to 1.3% of the population at-risk-of-poverty (0.7% in 2021). This is a reversal in the trend of improving this housing condition, especially in the case of the population at-risk-of-poverty.

Figure 25. Proportion of the resident population living without a bathtub, shower and toilet inside the accommodation, Portugal, 2018-2022



Source: INE, Survey on Living Conditions and Income, 2018-2022.



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 (2021). 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 and housing conditions refer to the survey data collection year (2022).

DEFINITIONS

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.

Housing cost burden: ratio between the annual housing costs and the disposable household income (net of housing allowances). Housing costs include those related to housing facilities such as water, electricity, gas and other fuels, as well as condominium, insurances, sewage, minor repairs, rents and interest related to the main residence mortgage.

Two indicators have been calculated on the basis of the distribution of this ratio:

Median housing costs: median of the housing cost distribution.

Housing cost overburden rate: proportion of the population living in households where the ratio of housing cost burden is more than 40%.



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.

Overcrowding rate: proportion of households where the number of rooms ($\geq 4m^2$) is not sufficient for the household's dimension and demographic composition.

An individual is considered to be living in a overcrowding condition if there is not a a minimum number of rooms in the dwelling ensuring:

- one room for the household as a whole;
- one room for each couple;
- one room for each single person aged 18 years old or over;
- one room per two persons aged 12 to 17 years old of same sex;
- one room for each person aged 12 to 17 years of different sex;
- one room for two persons aged less than 12 years old.



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.

$$\text{Relative median at - risk - of - poverty gap} = \frac{\text{At - risk - of - poverty threshold} - \text{Median of the people at - risk - of - poverty}}{\text{At - risk - of - poverty threshold}} \times 100$$

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 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 Survey on Income and Living Conditions (EU-SILC) has been carried out in Portugal since 2004, until 2020 within the framework of specific European legislation (Regulation no. 1177/2003), establishing an harmonised European system of production of statistics on poverty, deprivation and social exclusion. As of 2021, the survey is being carried out in the context of new specific European regulations, in accordance with Regulation (EU) 2019/1700 of the European Parliament and of the Council, of 10 October 2019.

The survey aims to obtain results for the set of all individuals residing in the national territory in the reference period, with a breakdown by NUTS 2 level from 2018. For income, the reference period corresponds to the year before that in which the interviews are carried out.

In 2022, data was collected through computer-assisted face-to-face interviews (CAPI, or Computer Assisted Personal Interviewing) and telephone interviews (CATI, or Computer Assisted Telephone Interviewing) between April and July. Taking advantage of previous studies regarding other data collections about wages, administrative data of the Personal Income Tax (IRS – Model 3, Annex A) related to employees' income have been used for the first time in this survey, in order to improve the consistency and quality of gross income data; the extension of the use of the same source to other income components is foreseen in future editions of the survey.

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 2022, the survey addressed 15,738 households, of which 12,616 with full response (with data collection on 30,241 people; 26,862 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 $\frac{3}{4}$ 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.

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, 2021 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).