

FILOSOFI, A NEW ADMINISTRATIVE SOURCE ON DISPOSABLE INCOME AND POVERTY AT A LOCAL LEVEL IN FRANCE

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Abstract

The aim of the presentation is to focus on the process created to implement a new tool from administrative data to measure the disposable income (and thus the income poverty) at local level (NUTS 1, 2, 3 et LAU2 level since June 2015 and at infra LAU 2 level in May 2016).

This new source (*FiLoSoFi for "Fichier Localisé Social et Fiscal" or "social and tax localised database"*) was created in order to satisfy the needs of the users and other stakeholders for data on disposable income and poverty at every local level and in particular on a detailed geographical level. That has been formalised into recommendations in a report of the French statistical advisory committee ("CNIS") five or six years ago.

The design of this new measure is based on the merge of tax sources and sources on social benefits. This process enables the French INS (INSEE) to reconstruct a disposable income with exhaustive and administrative data. Agreements between, on one hand, INSEE and the tax authorities and also between INSEE and social benefits funds, have been signed beforehand. Furthermore, in accordance with the French law, the databases created were reported to National Committee for IT and Liberties (CNIL).

As it was not possible to use a common identifier already present in the two main sources, the merge between tax sources and social benefits sources was based on a merging key with individual information developed for the needs of this project. The method implemented leads to a very good level of merging between tax and social sources (near 90%). And the coverage of social benefits is higher than 90%. Besides, the financial incomes not included in the tax declaration were added by imputation with a deterministic method to avoid abrupt changes (and also by timing on the heritage survey).

Thus, it is possible to obtain, each year, information about the structure and the distribution of disposable income, the poverty, as well as living standard inequalities at every local level.

The first and main results were disseminated in June 2015. Before dissemination, results have been checked and validated and we implemented adapted rules to prevent the risk of disclosure and to assure the strict confidentiality of the data.

The results show that the poverty rate was highest in the city centers of large urban areas, where poverty particularly affected single-parent families, large families and young families, and outside the city areas. There were often great inequalities in living standards within regions and departments; these were most pronounced in Paris, in "Hauts-de-Seine" and in "Haute-Savoie", due to the particularly high standard of living of the wealthy members of the population living there. The median standard of living was generally higher in urban areas, particularly in the suburbs of the major large urban centers.

Map on poverty rate at LAU 2 level ("communes")

