FILOSOFI

“Fichier LOcalisé SOcial et FIscal”

“Social and Tax Localised Database”

A new administrative source on disposable income and income poverty at a local level in France

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Outline

- The aim of this new database and the origin of the needs
- How was it created, or built?
- Validation and first dissemination
- The main results
1. The needs to be met

- A database created in order to satisfy the needs of the users and other stakeholders
- Previous measures of income at local level were incomplete or limited
- In fact, so far, the data on income at local level were partial:
  - disposable income (declared income – direct taxes + other financial income + social benefits) at regional and « departemental » level (NUTS 2 and 3)
  - tax income (income declared to tax administration) at every local level from region to districts of cities (infra LAU 2)
- The needs based on disposable income at local level are pressing: income poverty can only be measured with this concept
2. The creation of this new « tool »

- The design of this new measure is based on the merge of individual data on tax sources and sources on social benefits.
- This process enables Insee to reconstruct a disposable income with exhaustive and administrative data.
- Agreements were signed beforehand:
  - between INSEE and the tax authorities (DGFiP);
  - between INSEE and social benefits funds (CNAF, CNAV, MSA);
- The database created was reported to National Committee for IT and Liberties (« CNIL »).
- This project involved several directorates at Insee (demographic and social statistics, regional action and dissemination, methodological) and also IT teams.
2. The work carried out

- The link between tax sources (housing tax and income declaration) and social benefits sources was based on a merging key with individual information (name, address,…) developed for the needs of this project.

- What are the results of this method implemented for linking the sources?
  - very good level of merging between tax and social sources
  - the coverage of social benefits is higher than 90%

- The financial incomes not included in the incomes declaration have been added:
  - using imputation with a deterministic method to avoid abrupt changes
  - there is also a calibration on the patrimony survey results

- Information available each year at every local level:
  - the structure and the distribution of disposable income,
  - the poverty rate, and the standard of living by consumption unit
  - as well as living standard inequalities
  - crossing variable: household type, household size, age of the tax referent, occupancy status
3. Validation and first dissemination

- The first results were disseminated in June 2015 (for « communal » results) and in May 2016 (for results on districts).

- Before dissemination, results were checked and validated (also by regional directorates) => some corrections have been taken into account ;

- Adapted rules have been implemented to prevent the risk of disclosure and to assure the strict confidentiality of the data.
  - topic of confidentiality is very sensitive, especially for income data on small territories
  - cases of areas which overlap : risk to deliver information under desired population thresholds

- National and regional publications have been released and data can be downloaded on Insee web site.
4. Main results (abstract)

- English version
- French version
- The poverty rate is 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 greater inequalities in living standards within regions and departments;
- These inequalities are most pronounced in Paris, in “Hauts-de-Seine” and in “Haute-Savoie”, due to the high standard of living 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 income poverty rate at LAU 2 level ("communes")

Taux de pauvreté par commune

Source: Insee-DGFP-Cnar-Cnau-CCMSA, Fichier localisé social et fiscal 2012
4 – Main results (on districts)

- Publication on districts (French)

- The poverty rate in the districts covered by urban policy ranged from 37% in Île-de-France (i.e. Paris and its region) to over 47% in Provence-Alpes-Côte d'Azur and Languedoc-Roussillon-Midi-Pyrenees.

- In comparison, in cities including these districts, the poverty rate is about 16% on average.

- By construction, the districts covered by urban policy concentrate a large share of income poverty of the urban areas.

- That's quite logical: high level of poverty has been used in order to define the limits of these districts covered by urban policy.
4 – Main results (on districts)

- The median standard of living in metropolitan districts is 35% lower than in the cities including these districts.
- This difference is less pronounced in Nord-Pas-de-Calais and Picardie (-28%), but more accentuated in Île-de-France (-38%).
- Île-de-France (Paris and its region) concentrates simultaneously poor people and people with high incomes or very high incomes.
Number of inhabitants in the districts covered by urban policy and poverty rate in these districts (results aggregated by city)
Conclusion

- Filosofi enables Insee to pass a new step in measuring income poverty at every local level.
- In order to deliver data each year, the teams involved in these works:
  - have to implement modifications
  - and to adapt the processing methods used (for example: issue about the poverty rate crossed with the age of the children in the family).
- One of the next steps will be to have the same results on « overseas departments » (specific case of Mayotte).
- In the following years, there is an important issue linked to data on grids (needs are also high about this very fine level).
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Thank you for your attention
Remarks / Questions

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