

## *Insee Références* Collection “France, A Social Portrait” - 2015 Edition

At the press conference held this morning at INSEE, the authors presented an insight into the social situation in European countries after several years of crisis, along with the four reports that make up the publication.

### **Focus on...**

#### **The social situation in the European countries after several years of crisis**

Four articles cast light on the subjects of the labour market (Anne-Juliette Bessone and Jorick Guillaneuf), poverty (Hélène Guedj and Sophie Ponthieux), health expenditure (Ysaline Padieu and Romain Roussel) and fertility (Luc Masson).

**Laurence Rioux, Chief Editor of the publication**, drew some key conclusions, proposing that a distinction should be made between **3 broad groups of countries**:

#### **The southern European countries and Ireland where the crisis hit hardest**

- ✓ A sharp rise in unemployment rates, particularly in Greece (up 19 points between 2008 and 2014) and Spain (up 13 points)
- ✓ In the southern European countries, severe exposure of economically-precarious workers to poverty: in Portugal, for example, 43% of economically-precarious workers were in poverty in 2012
- ✓ A fall in health expenditure, in particular in Greece, down 26% between 2008 and 2012
- ✓ A marked fall in fertility: the number of children per woman fell by 0.18 between 2008 and 2013 in Greece, Spain and Portugal, from an already low level.

#### **Germany and, to a lesser extent, Austria and Luxembourg, spared by the crisis in relative terms**

- ✓ Little or no deterioration in the labour market: the unemployment rate has even fallen in Germany (down 2.4 points between 2008 and 2014)
- ✓ Relatively little exposure of economically-precarious workers to poverty (except for Luxembourg): the poverty rate among such workers is 25% in Germany
- ✓ Health expenditure per capita has continued to grow at the same rate as previously
- ✓ In Germany, fertility is stable but low at 1.4 children per woman

#### **A group of countries in the middle (France, United Kingdom, northern European countries...)**

##### **For France**

- ✓ Unemployment has increased, although by less than the European average (up 2.9 points from 2008 to 2014)
- ✓ A poverty rate among economically-precarious workers that is close to the European average (30%); a greater “social transfer” effect than in the EU15
- ✓ Health expenditure continues to grow at the same rate as previously
- ✓ High, stable fertility despite the crisis

***“In France, there has been no downturn in health expenditure since the crisis and fertility has remained stable at a high level” explained Laurence Rioux.***



## Reports

### The feeling of financial prosperity among households: stable from one generation to the next but fluctuating throughout a lifetime

**Amandine Schreiber** presented a report co-written with Elodie Kranklader reviewing the feeling of financial prosperity among households over the past 30 years. It reveals **remarkable stability over time despite the crisis, although less so when we analyse individual situations through a lifetime.**

*“In 2011, 6 out of 10 households did not feel financially prosperous,” explained Amandine Schreiber.*

**2 factors have a particular influence on the feeling of financial prosperity** of households:

- ✓ Primarily, of course, **their real standard of living**
- ✓ Secondly, also **households’ perceptions of recent variations** in their standard of living

Many other factors also come into play, and notably the employment situation of households and their family configuration. As these are factors that vary through life, **the feeling of financial prosperity varies with age.**

*“It is between the ages of 40 and 44 that households feel the least financially prosperous,” emphasised Amandine Schreiber.*

### Reforms to benefits, taxes and contributions introduced in 2014 penalise the most affluent 50% of households and spare the least well-off 10%

**Marie-Cécile Cazenave** presented the effects of the fiscal and social measures introduced in 2014, based on the report she wrote with Maëlle Fontaine, Juliette Fourcot, Antoine Sireyjol and Mathias André.

**3 major impacts** should be mentioned:

- ✓ Taken as a whole, the measures in question have led to a **drop of 0.5% in the average standard of living** of households, mainly due to the increase in direct taxes and contributions.
- ✓ **The exceptional reduction in tax on low incomes** offset the rise in direct taxes and spared the least well-off tax payers. **Benefit reforms** (reform of PAJE early-childhood benefit and the adjustment of the RSA active solidarity income and the old-age minimum income...) mainly penalised higher incomes and increased the standard of living of the least well-off 10%.
- ✓ **All in all, the social and fiscal measures introduced in 2014 slightly reduced inequalities in standard of living;** income tax reform explains 3/4 of this reduction in inequalities.

*“These measures weighed down on the standard of living of the most affluent 50% of households, supported the least well-off 10% and were neutral for the remaining 40% of households” explained Marie-Cécile Cazenave.*

## Also in France, A Social Portrait – 2015 Edition

**Two other reports:**

- Income sharing and decision-making power within couples – a European panorama
- For those wanting to join the civil service, what role do economic factors play?

**Some forty information sheets** compiling the key data on a variety of social themes.

- ⇒ In 2015, there are a number of new information sheets on quality of life (social relations, personal activities, subjective measurements of well-being, etc.).

[View the complete publication on insee.fr](http://www.insee.fr)