

ANNEX I

UNITED NATIONS ECONOMIC COMMISSION FOR EUROPE

CONFERENCE OF EUROPEAN STATISTICIANS

Group of Experts on Measuring Poverty and Inequality

8-9 December 2022

Workshop on Harmonization of Poverty Statistics to Measure SDG 1 and 10

7 December 2022

Title of contribution	The use of alternative data sources to estimate the threshold of absolute poverty in Italy
Author Name	Federico Polidoro
Author Organization	Istat (Italian national statistical Institute)
Topic	Complementing survey methods, and use of alternative data sources

Summary:

Since 2005 the Italian national statistical Institute (Istat) compiles and disseminates estimates of absolute poverty based on HBS consumption expenditure data.

The approach adopted is based on the calculation of monetary thresholds that sum up three main components: a food component, a housing component and a residual one.

The value of the thresholds varies depending on the household's typology, typology of municipality and geographical area.

In the methodology adopted so far, the food component and a small part of the housing one were evaluated using the prices derived from the CPI survey. The most part of the housing component (that related to rents) was estimated on the basis of HBS data and the residual component was estimated in relationship with the food component via a model of linear regression.

Istat is revising and updating the methodology of estimation of absolute poverty and, in particular, is reevaluating the thresholds by using the new sources of data that are available in the CPI survey.

Specifically, scanner data for food component and the data base of rental contracts provided by Italian Tax office (a typical admin data source) are adopted to this aim.

Therefore, potentialities of these 2 innovative data sources and some preliminary results obtained in the absolute poverty thresholds estimation are discussed.

Please select your preferred contribution (you may select both options):	
\boxtimes	Presentation
\boxtimes	Paper