

ABSTRACT

This chapter in 'Monitoring Social Inclusion in Europe' (a book edited by A.B. Atkinson, A-C. Guio and E. Marlier, published by Eurostat on 5 June 2017) explores the missing links between employment policy success and inclusion policy failure. The focus is on individuals in the 20 to 59 age cohort and empirical analyses are relying on the EU Labour Force Survey (EU LFS) and the EU Survey on Income and Living Conditions (EU SILC). It updates and complements our earlier work and publications on household employment.

The analysis proceeds in two steps. The first step considers the distribution of individual jobs over households, thus establishing a link between individual employment rates and household employment rates. Following the work by Gregg, Scutella and Wadsworth (2008, 2010) a 'polarization index' is created to measure the size of unequal distribution of employment over households. Actual changes in household joblessness are decomposed in (i) changes due to changing individual employment rates and changing household structures and (ii) changes in the distribution of jobs over households.

The second step in the analysis matches employment at both levels of aggregation with poverty. Therefore, we decompose changes in the at-risk-of-poverty rates on the basis of (i) changes in the poverty risks of jobless households, and (ii) changes in the poverty risks of other (non-jobless) households; (iii) changes in household joblessness due to changes in individual employment rates and changing household structures and (iv) changes in the distribution of employment. The proposed technique does yield interesting insights into the trajectories that individual EU welfare states have followed over the past ten years.

The book is available at the Eurostat website, but it can also be downloaded [here](#).