



## Summary:

# International comparisons of income inequalities – Sweden’s ability to contribute statistics

### Background and purpose

International organisations such as the UN and the EU have set up targets for reducing income inequalities. The goals of the UN Agenda 2030 for sustainable development include “ending poverty” and “reducing inequality within and between countries”. The EU has a target for 2020 that the number of people in the EU who live in or are at risk of poverty and social exclusion must have decreased by at least 20 million.

Sweden has long taken part in international research on the population’s income inequalities, poverty and the impact of the tax and social insurance system on the population’s disposable incomes. The good supply of high-quality register data available from Statistics Sweden contributed to this.

Swedish researchers have participated for a long time in an international project called the “Luxembourg Income Study” (LIS). This is a database containing data on citizens’ income, taxes, social insurance and benefits in 47 countries. Statistics Sweden has been supplying data since LIS started in 1983, but in the past ten years has decided that the data cannot be released for legal reasons.

The audit question is:

- Are there legal grounds for Statistics Sweden to release data to the LIS database?

The purpose of the audit is not to review Statistics Sweden’s position on releasing data to LIS. The purpose is instead to examine Statistics Sweden’s reasons for its position and, on that basis, point out alternative solutions if possible.

## Audit findings

### *Data for research on income distribution*

The interest in questions concerning income distribution has increased in society and in politics. International organisations devote greater interest to these matters than before and both the EU and the UN have goals relating to poverty and income dispersion.

Data at individual level is needed to enable analysis of distribution between individuals or families' incomes. In many countries there are regular surveys that are available at the national statistical offices – in Sweden it is Statistics Sweden that has these.

There are international compilations, for example at the OECD. LIS, the “Luxembourg Income Study”, is a more extensive database that is administered by an international research organisation. LIS is a highly respected organisation in the research community and provides two databases for research.

One conclusion is that interest in income distribution is great and that Sweden holds important data from an international perspective. Internationally, LIS is an important database for researchers.

### *Statistics Sweden's ability to supply data to LIS*

The Swedish NAO's legal review of the conditions for Statistics Sweden to release data to LIS shows that there must be a statutory obligation to allow the release of the data.

Pending the solution of the larger question on treatment of data concerning research databases to be dealt with in the report by the Inquiry on Register-based Research (Swedish Government Official Reports, SOU 2014:45) and the Inquiry on Processing of Personal Data for Research Purposes (Swedish Government Official Reports, SOU U2016:04), the question of release of data to LIS should be resolved promptly.

- The Swedish National Audit Office recommends that the Government, after weighing up the benefit the database constitutes for research needs in relation to the individual's need for privacy, takes a position on whether data is to be released to LIS.