

# Second European Quality of Life Survey

# Living conditions, social exclusion and mental well-being

# **Executive summary**

### Introduction

Over the past two decades, there has been a major shift in the European debate regarding social progress and how it is measured. The concept of social exclusion has increasingly replaced the concept of poverty within the EU policy discussion on social vulnerability and disadvantage. Unfavourable labour market access and living conditions affect both social participation and social contact, which in turn impact on the quality of life of Europe's citizens and influence their perception of social exclusion. The second European Quality of Life Survey (EQLS), conducted by the European Foundation for the Improvement of Living and Working Conditions (Eurofound) in 2007, offers a wide-ranging view of the diverse social realities in the 27 EU Member States, as well as covering Norway and the candidate countries of Croatia, the former Yugoslav Republic of Macedonia and Turkey.

This report looks at the relationships between living conditions, social exclusion and mental well-being. It draws on the results of the EQLS to examine the factors that influence perceived social exclusion and the impact that this has on mental well-being. Such factors include labour market access, income and lifestyle standards, and availability of social support.

## Policy context

A consequence of the EU's enlargement to 27 Member States was the inclusion of a number of countries with considerably lower living standards than in the initial 15 Member States (EU15). Many of the 12 new Member States (NMS12) and the three candidate countries (CC3) have higher levels of unemployment, widespread poverty and a poor social welfare infrastructure. This situation has underlined the importance of EU policy development in the area of social exclusion and poverty.

Policymakers are responsible for promoting positive change to ease such stark differences in living standards,

which could undermine cohesion in the EU – particularly if the reference groups for comparison are in other, wealthier Member States. Building a more inclusive Europe is therefore vital to achieving the EU's goals of sustained economic growth, more and better jobs and greater social cohesion.

## Key findings

#### Overall patterns of social exclusion

A majority of European citizens feel socially integrated, with 86% of respondents scoring positively on the indicators for social integration. On the other hand, 14% of respondents report some level of social exclusion and 2% report strong exclusion. Levels of inclusion are higher in the EU15 Member States and lower in the CC3 and NMS12 countries. In particular, citizens from Bulgaria, Croatia, the former Yugoslav Republic of Macedonia and Romania report the highest levels of exclusion, while citizens of Denmark, Norway and Sweden show the lowest levels of social exclusion on average.

#### Impact of macro environment

The average level of perceived social exclusion in a country is strongly related to its gross domestic product (GDP). However, this relationship is not fixed. Some countries, notably the Scandinavian countries, show lower than average levels of social exclusion than others, such as Austria, Belgium and France, while having the same level of GDP per capita. Similarly, some of the less affluent EU Member States, such as Malta, Portugal and Slovenia, record high levels of integration despite their lower GDP. A country's unemployment rate and level of income poverty are also associated with social exclusion, although some countries appear to be better at maintaining social integration in the face of higher unemployment.

#### Micro-level indicators of exclusion

Higher levels of lifestyle deprivation and economic stress are indicative of an individual experiencing

social exclusion. In the CC3 and NMS12 countries, higher levels of deprivation contribute significantly to a higher level of perceived social exclusion compared with the EU15. Nevertheless, citizens of the EU15 experience lower levels of perceived exclusion at the same level of deprivation.

Across countries, individuals who are unemployed are more likely to report higher levels of exclusion compared with all other employment status groups. Unemployment leads to similar levels of perceived exclusion across countries, although actual living conditions may vary significantly. Individuals in higher occupational and non-manual positions tend to report lower levels of exclusion.

#### Role of social support

The perceived ability of European citizens to obtain financial support varies greatly between countries. Although almost 85% of respondents report that they could obtain financial support when needed in an emergency, this proportion tends to be lower in the CC3 and NMS12 countries than in the EU15. The perceived role of the family in providing financial support also varies between countries, with less than 60% citing the family as the main source of support in the CC3 and NMS12 countries compared with 70% in the EU15. Less divergence emerges between countries and country groups in relation to the perceived availability of moral support. The major source of this support is family, considered as the primary source by about two-thirds of European citizens in all country groups. Overall, at the same level of lifestyle deprivation, individuals who have access to financial or moral support tend to show lower levels of perceived social exclusion.

#### Mental well-being

Across countries, higher levels of wealth in the form of GDP are associated with higher levels of mental wellbeing. This may be one reason why citizens of the CC3 and NMS12 countries report significantly lower levels of mental well-being on average compared with those of the EU15. Nevertheless, respondents in the EU15 tended to indicate higher levels of mental wellbeing at any given level of deprivation when compared with the CC3 and NMS12.

Significant differences emerge between the country groups in the role of social exclusion regarding mental health. In the CC3, perceived social exclusion contributes only to a limited degree to poorer mental well-being, while the effect is five times as strong in the NMS12 and seven times as strong in the EU15. It appears that the direct effect of deprivation on mental health is far more significant than the indirect effect through social exclusion in all countries. The indirect effect is, however, relatively smaller in the poorer CC3 countries compared to the NMS12 or EU15.

### Policy pointers

- Where possible, official indicators of social exclusion should be supplemented with subjective measures of perceived social exclusion, in order to determine which disadvantages have consequences for the quality of life of Europe's citizens and the circumstances under which this varies
- Increasing levels of education and skills, as well as the development of a dynamic and varied labour market in the CC3 and NMS12, would provide a basis on which inequalities in living conditions between current and future EU countries could be lessened.
- To ensure access to the labour market for those who can work, along with a guaranteed basic living standard for those who cannot, measures such as active labour market programmes and income transfer schemes need to be developed further in a coherent and mutually beneficial manner.
- Social support plays a crucial role in improving integration and mental well-being for all and in buffering mental well-being for those with poor living conditions. Looking at policy interventions to stimulate or sustain levels of social support should be a priority in EU and national policies.
- Mental health policy needs to recognise and target the broader sources of psychological stress associated with poorer living conditions, which can increase vulnerability to more serious mental health problems, with more costly consequences and treatments arising later on.
- Countries should seek to learn from good practice, given that some, notably the Scandinavian countries, are more successful in generating higher levels of inclusion at similar levels of aggregate wealth and the same nominal levels of individual deprivation and living standards.

#### **Further information**

The EQLS report on *Living conditions*, social exclusion and mental well-being is available online at: http://www.eurofound.europa.eu/publications/htmlfiles/ef0988.htm.

The EQLS overview report and further secondary analysis of survey data are available on the Eurofound website at: http://www.eurofound.europa.eu/areas/qualityoflife/eqls/.

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