HIGH INCOMES AND AFFLUENCE:
EVIDENCE FROM EU-SILC

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Abstract

This paper examines the top tail of the income distributions in the EU-SILC 2012 data. Given that EU-SILC is based on sample surveys and split into "survey" and "register" countries, the paper first discusses issues related to data quality, including extreme outliers and under-estimation of top incomes. The data is then used as it is to compute several income-based measures of richness and affluence, including simple headcount measures, transfer-sensitive measures, top income shares, and affluence gaps. The last part of the paper addresses the link between non-income information and high incomes. We find that EU-SILC is a useful complementary source on some aspects of the top incomes discussion, and semi-parametric modelling could be a useful framework both for outlier detection and improvements of the estimates of the top tail.