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$$\begin{aligned} \frac{n!}{m!} \binom{n}{m} p^m (1-p)^{n-m} &= p \sum_{\ell=0}^{n-1} \frac{\ell+1}{n} \frac{(n-1)!}{(n-1-\ell)! \ell!} p^\ell (1-p)^{n-1-\ell} \\ &= p \frac{n-1}{n} \sum_{\ell=0}^{n-1} \left[\frac{\ell}{n-1} + \frac{1}{n-1} \right] \frac{(n-1)!}{(n-1-\ell)! \ell!} p^\ell (1-p)^{n-1-\ell} = p^2 \frac{n-1}{n} + \end{aligned}$$

$$\frac{\ell!}{(n-1)!} p^{m-1} (1-p)^{n-m} = p \sum_{\ell=0}^{n-1} \frac{\ell+1}{n} \frac{(n-1)!}{(n-1-\ell)! \ell!} p^\ell (1-p)^{n-1-\ell} = p \frac{n-1}{n} \sum_{\ell=0}^{n-1} \left[\frac{\ell}{n-1} + \frac{1}{n-1} \right] \frac{(n-1)!}{(n-1-\ell)! \ell!} p^\ell (1-p)^{n-1-\ell} = p^2 \frac{n-1}{n} +$$

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Does Income Increase the Well-Being of Employees?: Evidence from Europe

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Abstract:

This paper addresses the well-known question of what drives people's well-being using two alternative measures of subjective well-being and comparing two econometric approaches, thus providing results robust to the recent critique by Bond and Lang (2019). The classical OLS and ordered probit analysis of self-reported life satisfaction of employees from 32 European countries show results consistent with the previous literature. Analysis of the happiness index — a measure of hedonic well-being defined as frequency of experiencing specific emotions — provides similar results, with some exceptions. Most importantly, we show that the observed income effect on subjective well-being is much weaker for the happiness index than for life satisfaction, especially when controlling for satisfaction of basic needs. Quantile regression analysis brings additional insights: (1) median estimates are equivalent to mean estimates obtained by OLS (2) the correlates of subjective well-being are not stable over the whole distribution with most of the coefficients being the largest in their absolute value at low quantiles (3) the relationship between income and the happiness index is weak and stable over the whole distribution when basic needs satisfaction variables are included in the model.

JEL: E42, E52, E58

Keywords: Subjective well-being, income, social relationships, happiness index, life satisfaction

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1 Introduction

For a long time GDP has been used as an indicator of citizen's well-being and the political goal in most of the developed economies is to maximize the country's GDP. However, a recent work by Park & Peterson (2019) shows that political success depends not only on economic outcomes, but also on subjective well-being of the citizens. The question on what influences individual's subjective well-being becomes even more important. In the last decade, several countries began to measure the subjective well-being of their citizens directly on regular basis. Some countries use their own constructed indexes of well-being to evaluate specific policies or just to monitor the well doing of the government. These measures commonly include objective indicators such as education, health, unemployment, pollution, crime or finances and subjective, that means self-reported, indicators such as subjective well-being, relationships, satisfaction with living environment, or trust in the political system. For example, the Canadian Index of Well-being (CIW) focuses on eight life domains¹ to evaluate the real life of the citizens since 2011, in Australia they measure *hedonic* well-being through self-reported Australian Unity Well-being Index (AUWI) consisting of eight satisfaction questions² since 2001, the Gross National Happiness index (GNH) used in Buthan covers nine life domains³ and has been used as a prosperity measure since 1970's, Measures of National Well-being Dashboard monitor (by individual life domains) how the UK is doing each quarter during the last decade. It is evident that well-being indicators fully or partially based on subjective life evaluations of citizens become important for governments worldwide. The use of subjective well-being (SWB) measures extends the information contained in GDP when studying welfare (Fleurbæy 2009) and provides useful supplementary information about the welfare (Diener *et al.* 2013). Therefore, to better inform policies, this study analyses the correlations of subjective well-being with life conditions and personal characteristics with special attention to the financial and social channels.

The well-being literature deals with a broad spectrum of the well-being determinants, especially in the last decades. Recently, (Bond & Lang 2019) pointed out that the ordered nature of the well-being indicators imposes strong assumptions to the econometric analysis which are usually not met and the mean-based analysis (such as OLS or ordered models) is not valid. However, Chen *et al.* (2019) argue that under symmetric distribution of the latent well-being most previous findings can be interpreted as median rankings and then their conclusions hold. Hot topic among the well-being literature remains the repeatedly reported positive relationship between income and well-being at one point in time but the nature of the relationship remains unclear. The literature is also quite consistent in the positive impact of marital status or negative impact of unemployment, suggests a positive relationship between religion and well-being and point to an U-shaped relationship between well-being and age. Besides the literature focus on gender differences pointing towards different determinants of well-being between men and women. See the summary of the well-being literature over the last 40 years by Clark (2018).

The relationship between income and well-being in the literature is inspected from two perspectives.

¹CIW includes: Community vitality, Democratic engagement, Education, Environment, Healthy populations, Leisure and culture, Living standards, Time use

²AUWI consists of questions regarding satisfaction with: Standard of living, Health, Achieving in life, Relationships, Safety, Community connectedness, Future security, Spirituality/Religion.

³GNH includes: Living standards, Education, Health, Environment, Community Vitality, Time-use, Psychological well-being, Good Governance, and Cultural resilience and promotion

First, at one point in time (across countries) the research discuss possible income threshold as a cut point of the relationship. Second, the literature follows evolution of the relationship over time (commonly within-countries) and an American economist Richard Easterlin (1973) first assessed the inconsistency between cross-country and within-country income effects called Easterlin paradox. The Easterlin paradox refers to stable within-counties well-being over time despite rising GDP and to positive income-SWB relationship in cross-sectional data. Easterlin confirmed the paradox in many macro-level (that means using an average of a well-being measure over the countries) studies (Easterlin 2016; 2015; Easterlin *et al.* 2010; Easterlin & Sawangfa 2010; Easterlin 2005; 2003; 2001; 1973). On the other hand, Sacks *et al.* (2012) question the existence of Easterlin paradox when they find a positive correlation between economic growth of European countries and average well-being as well as positive income effect on micro-level data both within and across countries. The positive income-SWB relationship is in line with our findings and has been found also between countries at one point in time. For example, Stevenson & Wolfers (2008) based on GDP as income measure report higher subjective well-being in wealthier societies. Some studies argue that there is positive income effect only up to certain threshold. For example, Kahneman & Deaton (2010) found such income threshold for *hedonic* (sometimes referred to as emotional) well-being. On the contrary, Graham *et al.* (2004) on Russian panel data find that income affects subjective well-being only above certain minimal level indicating that income is more important for the SWB of wealthier people. By poor people non-pecuniary factors might prevail. Stevenson & Wolfers (2013) argue that no such threshold exists.

For the empirical analysis, we use the 2013 wave of the European Union Statistics on Income and Living Conditions (EU-SILC) that includes an ad-hoc module with personal well-being questionnaire. These micro-level data allow us to work with individual income as well as with questions related to the financial situation of the particular household. This is an innovative approach as the literature commonly works only with household-level income (Rojas 2011), that does not capture the within-household differences. Because the source of income may significantly influence the life style and perception of life events and conditions, the analysis presented in this paper focuses solely on the well-being of employees.

We inspect the relationship between income and subjective well-being not only at mean using OLS and ordered probit and logit models as is a common practice (Caporale *et al.* 2009; Stevenson & Wolfers 2008; Blanchflower & Oswald 2004). Similarly as Yuan & Golpelwar (2013); Binder & Freytag (2013); Gomanee *et al.* (2005), we apply also a quantile regression and inform the SWB correlates across the whole distribution. This approach allows as to inspect individual quantiles of the population and overcomes the problem connected with mean-based models that use ordinal variables as criticized by (Bond & Lang 2019; Chen *et al.* 2019).⁴

We further deal with this problem described by Bond & Lang (2019); Chen *et al.* (2019) by introducing a new SWB measure that is not ordinal – a happiness index (HI). Happiness index is a *hedonic* SWB measure inspired by the so-called “*U-index*” representing the proportion of time with negative emotions within one day Kahneman & Krueger (2006). We take advantage of a set of questions about the frequency of specific feelings in last four weeks. These questions are combined into a single index of subjective well-being, which we call the happiness index. The baseline analysis is based on the question regarding

⁴For more detail, please, see Section 3.

life satisfaction which is a common practice in the well-being literature (Clark *et al.* 2015; Caporale *et al.* 2009; Di Tella & MacCulloch 2008; Headey & Wooden 2004). Life satisfaction represents an *eudaimonic* SWB measure. HI provides better comparability between respondents than life satisfaction as the questions forming this composed measure focus on the frequency of feelings rather than valuation of abstract issues. It overcomes the problem of misunderstanding the question commonly criticized in the well-being literature. Moreover, HI helps to avoid possible bias caused by over- or underrating the subjective feeling in a single question criticized by Huppert & So (2013). We show several differences between the happiness index and life satisfaction. To the best of our knowledge such happiness index was not used as a subjective well-being proxy before.

Next, we speak to the satiation point discussion by incorporating several measures capturing the ability to pay for basic needs into the analysis. This allows us to distinguish between income necessary to satisfy basic needs from money that might be used for unnecessary consumption (that means other than vital expenses). Moreover, we observe their spending/savings habits, that means whether people make financial reserves or whether they spent all their income. According to the psychological studies by Matz *et al.* (2016); Mogilner & Norton (2016) the way how money are spent is more important for SWB than income itself. This is an innovative approach as to the best of our knowledge no SWB-study with a large data sample has incorporated a similar proxies before. We show that majority of the income-SWB relationship can be explained by basic needs satisfaction.

Lastly, we take advantage of the rich dataset and similarly as Janhuba (2018); Mogilner & Norton (2016); Krasnova *et al.* (2013); Hendrickson *et al.* (2011); Diener & Seligman (2004) point to the importance of social channel for individual's well-being. Most well-being data sets do not contain the information necessary to identify the importance of the social channel. Our results indicate that social channel is one of the most important domains in the European employees' lives irrespective of their other socio-economic conditions. Having social contact increases subjective well-being of the poor ones and of the rich ones irrespective of their initial level of SWB. The effect size is around 1 which covers about one tenth of the scale.

The main contribution of this paper lies in the extent of our analysis. We examine the income-SWB relationship accounting for financial affordability to satisfy basic household needs and including also social channel in the analysis. The analysis does not rely only on mean effects and similarly as Yuan & Golpelwar (2013); Binder & Freytag (2013); Gomanee *et al.* (2005) we also examine the correlations across the whole population using a quantile regression. Moreover, we introduce a new *hedonic* subjective well-being measure – happiness index – that was not used before. As a results, we bring a big picture of the main well-being correlates.

The rest of this paper is organized as follows: Section 2 summarizes literature concerning well-being in economics. Section 3 presents the applied econometric models. Section 4 describes the data sample. Section 5 summarizes the results of the analysis and Section 6 concludes with the summary of main results and contribution of the paper.

2 Literature review

The question of well-being attracts not only psychologists and sociologists but also economists. It is not surprising when the roots of economics origin in the well-being philosophy of the time of ancient Greece. Two ancient Greek philosophers, Socrates and Aristotle, founded two concepts of well-being. The *Hedonic* approach that defines well-being through feelings (pleasures and pains) and the *Eudaimonic* approach that focuses on self-realization and functionality. The *Hedonism* emerged by Socrates' scholar, Aristippus of Cyrene, who as his follower, Jeremy Bentham, saw the greatest good in pleasure and a good life in maximizing pleasure (Waterman *et al.* 2008). Similarly, Alfred Marshall assumes rational people to maximize their utility. As is common in the well-being literature, we will approximate well-being by evaluations of subjective well-being (Benjamin & Heffetz 2012) because it would be hard to measure the revealed preferences directly. At the same time, we will distinguish the *Eudaimonic* and *Hedonic* approach to well-being using as measures life satisfaction and happiness index, respectively.

The well-being literature can be divided according to the data structure to two groups. First, macro-studies usually use panel data and inspect the SWB correlates on country level (the SWB is averaged over the country for a given year, GDP or GDP growth is used as income measure). Second, micro-level studies use cross-sectional individual data and base the analysis on personal characteristics and living conditions. Micro-level panel data are very rare. Both types of the economic studies commonly apply ordered probit or ordered logit models and ordinary least square (OLS) regressions are also not rare (Easterlin 2015; Headey & Wooden 2004). Some studies combine the approaches. For example, Di Tella *et al.* (2001) predict life satisfaction by OLS on micro-level using personal characteristics only, and then the predicted values regress on country characteristics. Although the micro-level data provide more accurate view into the well-being relationships, majority of the studies use macro-level data for their accessibility, as large cross-country samples contain micro-level data less often. We analyze a large sample of European countries using micro-level data. The main contribution lies in the extent of our analysis. We do not rely only on mean effects and similarly as Yuan & Golpelwar (2013); Binder & Freytag (2013); Gomanee *et al.* (2005) examine also the correlations across the whole population using a quantile regression. As a results, we bring a big picture of the main well-being correlates.

An American economist Richard Easterlin (1973) first assessed an inconsistency between cross-country and panel data income effect, known as the Easterlin paradox. Easterlin repeatedly observes practically flat subjective well-being and growing GDP within particular countries (Easterlin 2016; 2015; Easterlin *et al.* 2010; Easterlin & Sawangfa 2010; Easterlin 2005; 2003; 2001; 1973). GDP might not be a good indicator of people's income as the distribution of income might be uneven within the society (see Alvaredo (2011) or Piketty & Saez (2001) for the US income distribution). Sacks *et al.* (2012) question the existence of Easterlin paradox when they find a positive correlation between economic growth of European countries and average well-being as well as positive income effect on micro-level data both within and across countries. The literature provides several explanations for relatively stable subjective well-being levels in time even with increasing GDP (e.g., social comparison and *Hedonic* adaptation (Easterlin *et al.* 2010)) but much less attention is given to the relationship between subjective well-being and income at one point in time. Moreover, Deaton & Stone (2013) point out that the studies dealing with the Easterlin paradox do not distinguish between evaluative (*Eudaimonic*) and *Hedonic*

SWB measures. In this paper, we distinguish these two SWB measures and inspect in detail the financial channel influencing SWB on a large micro-level data sample from 32 European countries.

The well-being literature examines a broad aspects of human life. For example, unemployment decreases peoples' subjective well-being irrespectively of what type whether micro- or macro-level data were used (Clark *et al.* 2008; Di Tella *et al.* 2001; Gerdtham & Johannesson 2001; Helliwell 2003; Wolfers 2003; Theodossiou 1998; Winkelmann & Winkelmann 1998; Clark & Oswald 1994) while religious people tend to report higher subjective well-being levels (Popova 2014; Deaton & Stone 2013; Okulicz-Kozaryn 2010; Greene & Yoon 2004). In other areas the literature is not always consistent. Some studies point to an U-shaped relationship between SWB and age (for example, Blanchflower & Oswald (2008); Van Praag *et al.* (2003); Gerdtham & Johannesson (2001)) with lowest life satisfaction around 45 years. Frijters & Beaton (2012), however, argue that reversing causality events like getting a job, getting married, or a high income happen in middle ages when the people are already happy. They find a flat age-SWB relationship with an increase around 60 years followed by a drop of SWB. Yang (2008) finds a J-shaped relationship between age and subjective well-being with the lowest SWB in early adulthood. There are also gender differences.

Cummins *et al.* (2003) using an own Australian unity well-being index find out, that females are more satisfied with lives than men. While Gaymu & Springer (2010) controlling for living conditions find no gender differences in well-being although they find the differences between European countries only for women. Similarly, Bourque *et al.* (2005) find no general differences between the well-being of men and women on Canadian cross-sectional data. Fujita *et al.* (1991) find that women experience emotions more intensively but the balance between positive and negative ones explain the similar levels of reported subjective well-being. Therefore, one of the areas we focus on is the correlation between age, gender and subjective well-being.

Second, we focus on the social channel as there seems to be a positive connection between social relationships and subjective well-being. The issue is more researched in psychological and social literature. Diener & Seligman (2004) summarizes several studies indicating to positive correlation between friendship and well-being and for example, Mogilner & Norton (2016) show that people are happier if they spent time with others, and if they spent money on others. The economic literature deals with the social effect on a very specific cases. For example, Janhuba (2018) examines the effect of unexpected football wins on the well-being of local citizens and finds evidence that social context (sharing the experience) probably enhances the positive experience and has so positive effect on SWB. Krasnova *et al.* (2013) surveyed Facebook users (mainly German students) and find a positive link between number of friends and life satisfaction. Hendrickson *et al.* (2011) made an e-mail study between international students in Hawai and found a link between local friendships and SWB. Pinquart & Sörensen (2000) in a large meta-analysis summarize that friendship increase subjective well-being; especially in old age one of the most influential factors were competence, quality of social relationships, and income. In many well-being studies the social channel is missing because of the unavailable data.

Lastly, economists are mostly interested in the income-SWB relationship. Frey & Stutzer (2002) summarizes the well-being literature dealing with income effect and at p. 428 concludes that "at a given point in time, within a particular country, persons with higher income are happier" (see,

for example, Frijters *et al.* (2004); Hagerty & Veenhoven (2003); Graham & Pettinato (2002)) while the relationship does not hold over time because of changing aspirations. The positive income–SWB relationship is in line with our findings and has been found also between countries at one point in time. For example, Stevenson & Wolfers (2008) based on GDP as income measure report higher subjective well–being in wealthier societies.

Some studies argue that there is positive income effect only up to certain threshold. For example, Kahneman & Deaton (2010) found such income threshold for emotional well–being. On the contrary, Graham *et al.* (2004) on Russian panel data find that income affects subjective well–being only above certain minimal level indicating that income is more important for the SWB of wealthier people. By poor people non–pecuniary factors might prevail. Stevenson & Wolfers (2013) argue that no such threshold exists. Therefore we inspect the relationship not only at mean but also using a quantile regression on the whole distribution. This approach allows us to inspect individual quantiles of the population and overcomes the problem connected with mean–based models using ordinal variables as criticized by (Bond & Lang 2019; Chen *et al.* 2019).⁵ Besides, we introduce *hedonic* SWB measure that is not ordinal – the happiness index. We show several differences between the happiness index and the commonly used *eudaimonic* SWB measure – life satisfaction.

⁵For more detail, please, see Section 3.

3 Empirical approach

Assuming that individuals' subjective well-being is determined by their socio-economic characteristics, we specify the following linear model:

$$SWB_{ic} = \beta_0 \log(\text{income}_{ic}) + \mathbf{X}_{ic}\boldsymbol{\beta} + \gamma_c + u_{ic} \quad u_{ic}|X, \log(\text{income}), \gamma_c \sim N(0, \sigma^2), \quad (1)$$

where SWB_{ic} denotes one of the subjective well-being indicators for individual i in country c , $\log(\text{income}_{ic})$ denotes the natural logarithm of individual's yearly income expressed in Euro Purchasing Power Parity (PPP) of 2012 for between-country comparability, \mathbf{X}_{ic} is a vector of personal characteristics, γ_c corresponds to unobserved country fixed effects, and u_{ic} is an normally distributed idiosyncratic error. We express income in logarithmic terms to account for the well-documented phenomenon that subjective well-being reacts rather to proportional than absolute income change (Kahneman & Deaton 2010; Stevenson & Wolfers 2008; Helliwell 2003; Graham & Pettinato 2002). Personal characteristics include highest completed education level, basic job characteristics, marital status, age, and age² because former studies have found a concave relationship between subjective well-being and age (Graham *et al.* 2004; Blanchflower & Oswald 2004; Helliwell 2003) and also variables capturing the household's basic needs satisfaction. We acknowledge that people living in one country are likely to share experiences and have common history and culture that forms their personalities and attitudes towards life (Tov & Diener 2007). Therefore we control for the cultural effect by adding country dummies to the baseline specification. As the valuations of subjective well-being coming from one country are likely to be dependent, we cluster standard errors at country level.

Although the dependent variable is categorical, we estimate the baseline specification by OLS for comparability with previous studies. We report also the ordered logit and ordered probit models that do not assume equal differences between each SWB category and show that the ordered models provide comparable results as the OLS estimates. Nevertheless, Bond & Lang (2019) recently criticized the use of mean-based models such as OLS or the ordered models for ordinal variables. They show that comparing means of ordinal variables is uninformative, because a set of either implausible or non-testable assumptions has to be made to support such comparison. Chen *et al.* (2019) argue that median-based regression analysis can be used instead and that under symmetric distribution of the latent variable the mean comparison can be actually interpreted as median comparison. Therefore, we analyze the whole distribution of the sample by introducing a quantile regression and show that the mean (OLS) estimates are comparable with the median estimates. Moreover, the estimation of conditional quantiles allows for comparison between different segments of the population and is widely used in the economic SWB literature (Yuan & Golpelwar 2013; Binder & Freytag 2013; Gomanee *et al.* 2005). It enables us to relax the assumption of regression coefficients being equal for the whole population as quantile regression is not a mean-based model. That means we deal with the criticism of Bond & Lang (2019) and allow for unequal variances between the population subgroups. We focus on the 10th, 25th, 50th, 75th, and 90th conditional quantiles of the subjective well-being distribution and estimate regression coefficients that minimize the absolute error loss centered around these quantiles. We thus obtain a set

of estimates of model coefficients corresponding to each conditional quantile of the SWB distribution.⁶ These coefficients are both robust in the view of the recent critique of Bond & Lang (2019) and provides more complete view on the determinants of SWB.

We further deal with the criticism of mean-based models for ordinal variables such as life satisfaction (LS) by Bond & Lang (2019) by introducing an alternative SWB measure – a happiness index (HI) which be thought of as a count variable. Life satisfaction is measured using an ordinal scale and we as the researchers naturally do not know the distribution of the underlying latent variable within each life satisfaction category. Happiness index, on the other hand, consists of several count variables identifying individuals' self-reported frequency of experiencing specific feelings. Unless the occurrence of feelings is biased towards positivism or pessimism within the sample (and it should not according to the law of large numbers), we can assume that the HI follows a normal (that means a symmetric) distribution. For the exact definition of the happiness index, please, see Section 4.

⁶For more details about quantile regression please see Koenker & Hallock (2001).

4 Data and subjective well-being indicators

The empirical analysis is performed on the data from the 2013 wave of the European Union Statistics on Income and Living Conditions (EU-SILC) provided by the Eurostat.⁷ The 2013 wave of EU-SILC includes an ad-hoc module with personal well-being questionnaire. The EU-SILC survey consists of register data and data collected via interviews done between January 2013 and April 2013 and contains 614,785 respondents aged 15 and over from 32 European countries.⁸ Because employed, unemployed and entrepreneurs might perceive factors influencing their subjective well-being differently, the analysis presented in this paper focuses solely on employees. This choice is further supported by the well-documented negative effect of unemployment on subjective well-being (Helliwell 2003; Wolfers 2003; Di Tella *et al.* 2001; Winkelmann & Winkelmann 1998; Clark & Oswald 1994).

We employ two measures of subjective well-being. First, commonly used life satisfaction (Clark *et al.* 2015; Caporale *et al.* 2009; Di Tella & MacCulloch 2008; Headey & Wooden 2004) measured via question: *Overall, how satisfied are you with your life nowadays?*; where 0 means Not at all satisfied, 10 means Completely satisfied and 99 “Do not know.” The “Do not know” answers (941 in total for life satisfaction) are excluded from the sample as representing the indefinite subjective opinion of the respondent. The share of such answers by country is tiny and generally uniform.

Second, inspired by the so-called “*U-index*” representing the proportion of time with negative emotions within one day Kahneman & Krueger (2006) we introduce a happiness index (HI). While Kahneman’s *U-index* captures the true feelings only for one day, the HI express the overall mood in the longer period and therefore might be more suitable as a proxy of subjective well-being. The HI is a compound measure capturing the frequency of feeling happy, calm and peaceful, down in the dumps, downhearted or depressed, and very nervous over the last four weeks. The frequency of feelings is captured on the following scale: 1 – All of the time, 2 – Most of the time, 3 – Some of the time, 4 – A little of the time, 5 – None of the time.⁹ For comparability with LS, we normalize the HI and fit it to the 0 to 10 scale. The happiness index can be understood as the overall mood in the past four weeks. Kahneman & Krueger (2006) argue that experienced emotions reveal the true utility. Therefore, the HI as a count variable of experienced feelings might provide a more objective measure of well-being than the ordinal LS measure.

There are, however, differences in the interpretation of these two SWB measures. The life satisfaction might capture both the subjective well-being and certain type of self-worth, the pride in life’s success. The LS represents *Eudaimonic* measure of SWB and the HI can be understood as *Hedonic* measure of SWB. The happiness index bases on the retrospective valuation of feelings and misses the self-worth part present in the life satisfaction valuation and still expresses the subjective well-being. The HI captures part of the self-worth only if the self-worth is so important for the respondent that it influences his every day feelings. The question to what degree the self-worth influences people’s utility remains open. Therefore, it is questionable which of these two SWB measures better express the utility of the respondent. We engage with the differences between the LS and HI measures more in Spolcova & Pertold-Gebicka

⁷These confidential data are obtained upon request and approval of a research project. The responsibility for all conclusions drawn from the data lies entirely with the authors.

⁸All EU members plus Iceland, Norway, Serbia, and Switzerland. See Table 11 in Appendix for detail.

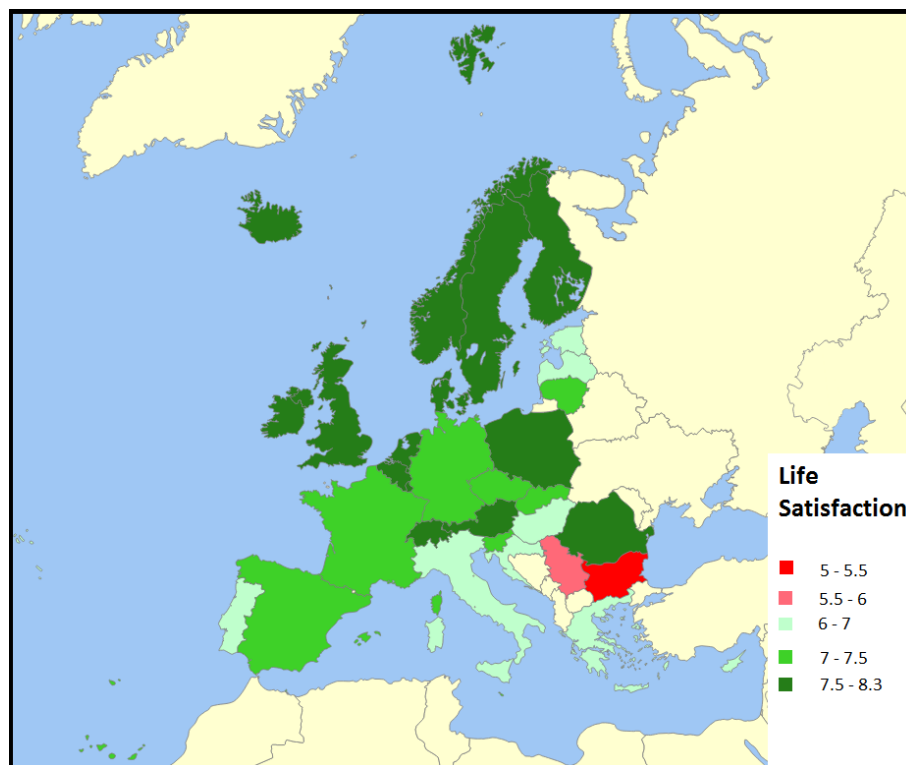
⁹The “Do not know” answers are excluded.

(2019). Nevertheless, the HI provides several benefits over the LS. The HI enables better comparability between respondents than LS as the questions forming this composed measure focus on the frequency of feelings rather than valuation of abstract issues. It overcomes the problem of misunderstanding the question commonly criticized in the well-being literature. Lastly, the HI may through its count definition overcome the problems connected with the measuring of SWB through an ordinal variable (LS) criticized by Bond & Lang (2019) or Chen *et al.* (2019).

Similarly as in Kahneman & Krueger (2006), LS and HI are highly positively correlated (raw correlation coefficient = 0.48). Table 1 shows that mean life satisfaction is 7.376 with median 8, while mean HI is 6.997 and median 7.5. The distribution of HI is closer to normal distribution depicted at Figure 2 as a solid line than the distribution of LS. As in most other SWB studies, both well-being indicators are skewed to the right (Groot & Maassen Van Den Brink 2000). The empirical values seem not to be censored suggesting that people report their true meaning and the 0 – 10 scale does not bound them.

The average reported life satisfaction differs significantly across Europe, see Figure 1. The highest values (above 7.5) reach northern countries which is common in the well-being literature (Kahneman & Riis 2005), but also, for example, Romania, Austria, Switzerland, or Belgium. The lowest average life satisfaction (under 5.5) have people in Bulgaria.

Figure 1: Average life satisfaction among employees



Source: Data about employees from EU-SILC 2013 weighted by the sample weights used for coloring of Europe map at <http://philarcher.org/diary/2013/euromap/>.

Table 2 describes personal characteristics like education, health, living conditions, age or marital status. The sample is balanced in gender, marital status, and individuals with children. The sample

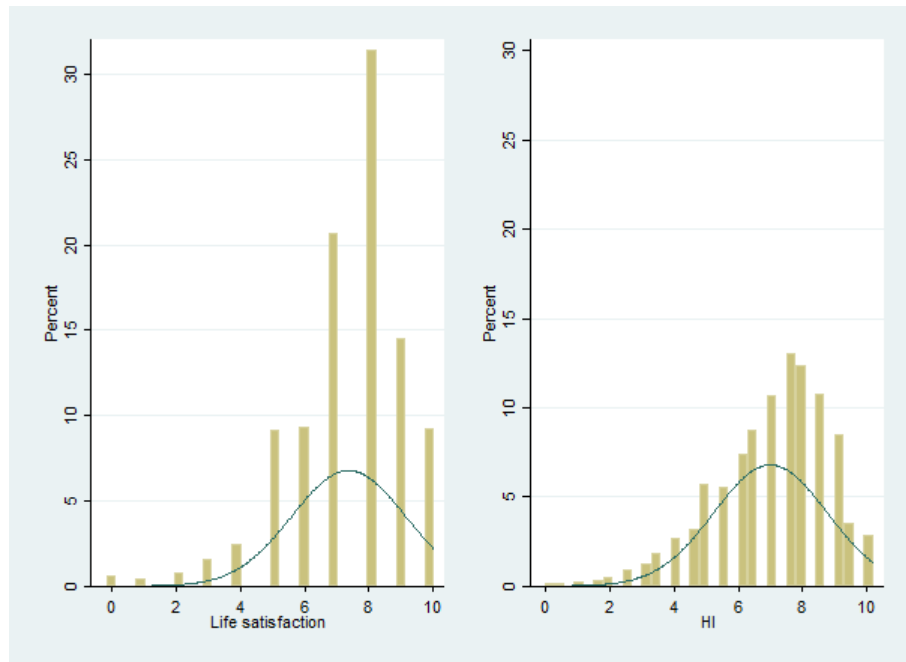
Table 1: Descriptive statistics of EU-SILC 2013 data

Variable	Obs	Mean	Std. Dev.	Min	Max	Median
Life satisfaction	139,938	7.375	1.759	0	10	8
Happiness index (HI)	136,753	6.997	1.750	0	10	7.5
ln(income)	139,938	9.402	1.498	-1.143	14.484	9.862
Yearly income	139,938	22,868.19	23,773.69	0.319	1,951,806.625	19,189.979
Monthly income	139,938	1,905.68	1,981.141	0.027	162,650.547	1,599.165
Hours worked per week	139,938	38.338	9.996	3	99	40
Age	139,938	41.95	11.19	15	81	42
Trust others	138,209	5.855	2.166	0	10	6

The data coming from EU-SILC 2013 of 139,938 (LS) and 136,753 (HI) employees that filled the well-being module and all individual characteristics used for the analysis, respectively. Data are weighted by sample weights. Income is adjusted from national currencies to 2012 Euro PPP obtained from Eurostat.

Notes: Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Happiness index express the feelings in past four weeks and more positive feelings result in higher HI on the 0 – 10 scale.

Figure 2: The distribution of life satisfaction and HI



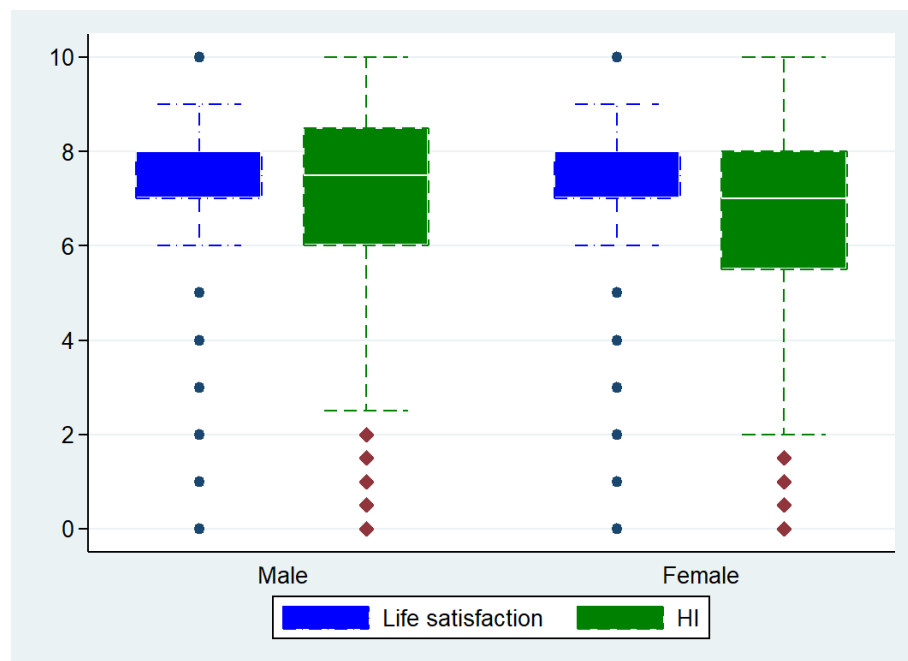
Source: The data coming from EU-SILC 2013 of 139,938 (LS) and 136,753 (HI) employees that filled the well-being module and all individual characteristics used for the analysis, respectively. Data are weighted by sample weights.

Notes: Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Happiness index express the feelings in past four weeks and more positive feelings result in higher HI on the 0 – 10 scale.

covers more individuals with higher education – 57% of the sample achieved secondary education and 35% tertiary education while only 3% achieved primary or early childhood education. It is not strange as the sample covers only employees from Europe where about 80% of 25–54 olds achieve at least upper secondary education (Eurostat 2018).

Figure 3 indicates that there might be no correlation between gender and subjective well-being as the medians (depicted as white lines) for both SWB measures do not differ between men and women. The box plots for LS suggest a narrow distribution of LS as the medians lie on the 75th quantiles. The mean LS of 7.38 is therefore driven by few low observations of LS. HI has more than two times higher spread than LS and its medians lie for both genders between 25th and 75th quantile indicating to normal distribution of HI. Figure 4 depicts higher median life satisfaction than happiness index in five age cohorts. In the age cohorts between 40 and 59 years the difference is the biggest and unlike HI, LS again signal unequal distribution as the median values lie on the 75th quantiles. The median value of LS does not differ across the age cohorts while median HI achieves slightly lower values in the two age cohorts between 40 and 59 years. It indicates that these two age cohorts are somehow specific.

Figure 3: The correlation between gender and well-being indicators



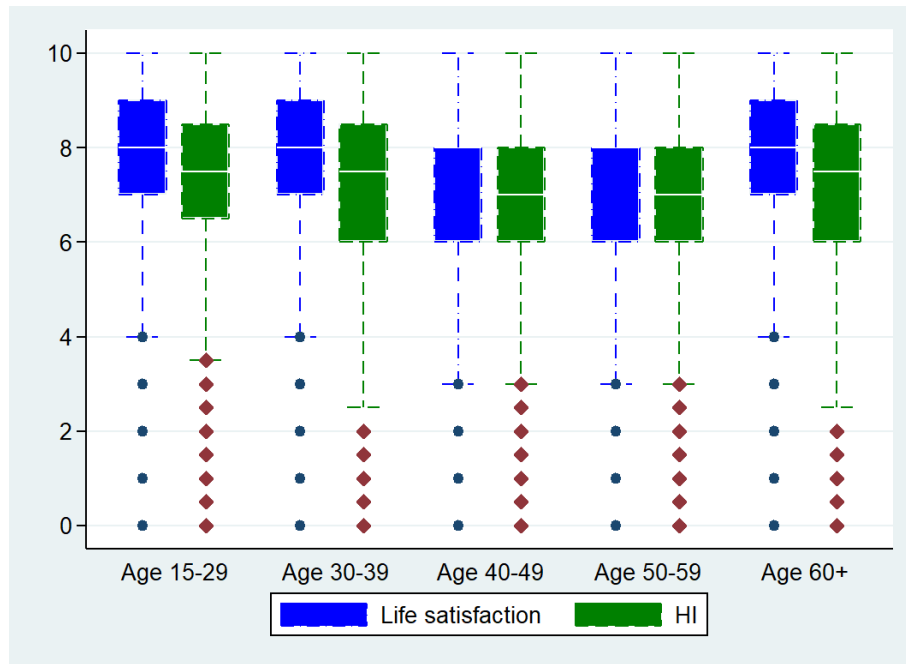
Source: The data coming from EU-SILC 2013 of 139,938 (LS) and 136,753 (HI) employees that filled the well-being module and all individual characteristics used for the analysis, respectively. Data are weighted by sample weights.

Notes: Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Happiness index express the feelings in past four weeks and more positive feelings result in higher HI on the 0 – 10 scale.

Therefore we also analyze the age–SWB relationship. However, the main analysis focuses on the commonly inspected financial channel and inspired by Pinquart & Sörensen (2000) summarizing in a meta-analysis that social relationships influence subjective well-being the analysis includes also social channel.

Social channel is identified through one of the following three variables. First, *Trust others* ranges from 0 meaning “You do not trust any other person” to 10 meaning “Most people can be trusted” with

Figure 4: The correlation between age cohorts and well-being indicators



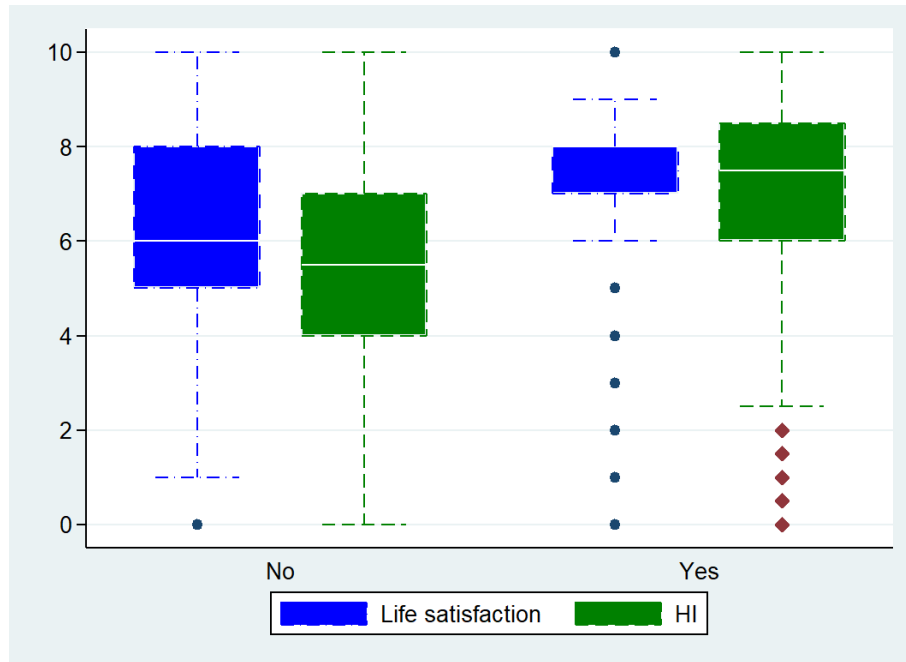
Source: The data coming from EU-SILC 2013 of 139,938 (LS) and 136,753 (HI) employees that filled the well-being module and all individual characteristics used for the analysis, respectively. Data are weighted by sample weights.

Notes: Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Happiness index express the feelings in past four weeks and more positive feelings result in higher HI on the 0 – 10 scale.

mean 5.856 and median 6 as summarized in Table 1 (“Do not know” answers are excluded from the analysis). Second, *Friend* is a yes(1)/no(0) answer to the question whether the respondent has somebody to discuss personal matters with (“Do not know” answers are considered as no answers). 94% of the respondents reported having a *Friend*. Third, *Available help* is a yes(1)/no(0) variable identifying respondent’s possibility to ask for any kind of help from any relatives, friends or neighbors not living in the same household (“Do not know” answers are considered as no answers). 95% of the sample have the possibility to ask for help. All selected social channel proxies indicate the existence of at least very small social network. The question of *Trusting others* is more general and provides higher flexibility of the answer. It’s interpretation is, however, ambiguous. We cannot distinguish whether the respondent has a friend and otherwise does not trust others; or whether the respondent trusts others to a certain degree but does not have a friend or any social contact at all. Moreover, *Trusting others* generally might be connected with the culture and living environment, for example how much the respondent trusts the public institutions. The EU-SILC data contain also questions regarding trust in police, trust in legal system, and trust in political system. All three are correlated with the *Trust others* question. On the other hand, the *Friend* question is concrete. It identifies people with at least some social contact. The *Avail. help* question is also concrete and may identify a stronger social contact than having a *Friend* because the respondent has someone to ask for a help (e.g. moral, material, financial). These two variables are correlated (0.32) and differ in the considered group of people. While *Avail. help* should not include relatives and friends living in the same household, this restriction does not hold for the variable *Friend*. It means that *Friend* maps more social connections than *Available help*. As we are concerned only

about the existence of the social channel and not its quality, the variable *Friend* seems to be the best social proxy. Figure 5 shows that medians of both SWB indicators are lower in the group without a *Friend*. Moreover, the range of SWB measure is broader in the group without a *Friend*. This supports our hypothesis that social relationships play an important role for SWB.

Figure 5: The correlation between having anyone to discuss personal matters with (friend) and subjective well-being indicators



Source: The data coming from EU-SILC 2013 of 139,938 (LS) and 136,753 (HI) employees that filled the well-being module and all individual characteristics used for the analysis, respectively. Data are weighted by sample weights.

Notes: 94% of respondents (after weighting) report having a friend, only 6% not. Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Happiness index express the feelings in past four weeks and more positive feelings result in higher HI on the 0–10 scale.

Financial channel focuses on the financial situation of the individual. The literature commonly work only with household-level income (Rojas 2011), that does not capture the within-household financial differences. We use an innovative approach and combine individual-level income and five household-level variables capturing basic needs satisfaction. First two are *yes(0)/no(1)* answers to the following questions. First, “Can your household afford a meal with meat, chicken, fish (or vegetarian equivalent) every second day?” We code it as *Pay meat meal* equal to 1 if the answer was no, the household cannot afford it. *Pay meat meal* identifies employees that suffer from the money deficit in their every day life, so these people may be the poorest (7% in the sample). Second, “Can your household afford an unexpected required expense (amount to be filled) and pay through its own resources?” which we call *Pay unexpected expenses* equal to 1 if the answer was no, the household cannot afford it. These people (33% in the sample) for certain reason do not have financial reserves. We cannot distinguish whether it is because of their bad financial situation or spending habits.

We also identify households that face problems with regular payments by coding three dummy variables from the question: “A household may have different sources of income and more than one household member may contribute to it. Thinking of your household’s total income, is your household

Table 2: EU-SILC 2013 Summary dummy variables

Variable	Short description	Share	Std. Dev.
Female	1 – female, 0 – man	50.64%	.500
Has a child	Having at least one child	51.16%	.500
Female x child	Female with at least one child	27.55%	.447
Married	Being married	55.25%	.497
Widow	Being widowed	1.96%	.139
Health limit	Having strongly limiting health problems	1.43%	.350
Primary education	Primary or early childhood education (ISCED)	3.02%	.171
Secondary education	Lower, Upper, and Post secondary education (ISCED)	56.87%	.495
Tertiary education	Tertiary education (ISCED)	35.43%	.478
Pay unexpected expenses	Household cannot afford to pay required unexpected expenses (amount to be filled) and pay through its own resources	33.19%	.471
Pay meat meal	Household cannot afford to pay a meal with meat, chicken, fish (or vegetarian equivalent) every second day	7.11%	.263
Great difficulty EM	Thinking of the household's total income, the household is able to make ends meet, namely, to pay for its usual necessary expenses with great difficulty	7.48%	.263
Difficulty EM	Thinking of the household's total income, the household is able to make ends meet, namely, to pay for its usual necessary expenses with difficulty	13.52%	.342
Some difficulty EM	Thinking of the household's total income, the household is able to make ends meet, namely, to pay for its usual necessary expenses with some difficulty	27.53%	.447
Manager	Having supervisory managerial position	25.71%	.437
Elementary work	Elementary Occupations – ISCO-08	8.74%	.282
Temporary job	1 – Temporary job, 0 – Permanent job	12.22%	.327
Bad living conditions	Household with problems related to the living place: pollution, grime or other environmental problems in the local area such as smoke, dust, unpleasant smells or polluted water	36.15%	.480
Crime in neighborhood	Household suffering from one of the following problems in the living place: crime, violence, and vandalism	13.95%	.347
Owner of dwelling	Household owning the dwelling or paying mortgage	67.99%	.467
Friend	Having anyone to discuss personal matters with (whether the respondent needs it or not)	94.37%	.230
Available help	Having the possibility (whether the respondent needs it or not) to ask for any kind (moral, material or financial) of help from any relatives, friends or neighbors not living in the same household.	94.85%	.221

Source: The data coming from EU-SILC 2013 of 139,938 employees that filled the well-being module and all individual characteristics used for the analysis, respectively. Data are weighted by sample weights.

able to make ends meet, namely, to pay for its usual necessary expenses?” with six possible answers. As answers 4 (Fairly easily) and 5 (Easily) are completely missing in the sample, we use answer 6 (Very easily) as a baseline and code the first three answers as dummy variables equal to one if the household has payment difficulties. *Great difficulty EM* for 1 (With great difficulty), *Difficulty EM* for 2 (With difficulty), and *Some difficulty EM* for 3 (With some difficulty). Almost 49% of the responding employees reported a certain level of difficulties to make household’s ends meet. This statement is especially subjective as each respondent may consider different usual necessary expenses. Nevertheless, respondents with difficulties to make ends meet probably spent majority of their monthly income. We do not know whether the household has large rather unnecessary (other than vital) consumption or whether the income covers only living staff. But we may assume the second case is true if the respondent at the same time cannot afford to *Pay a meal with meat* because food consumption as the basic need should be the last to restrict.

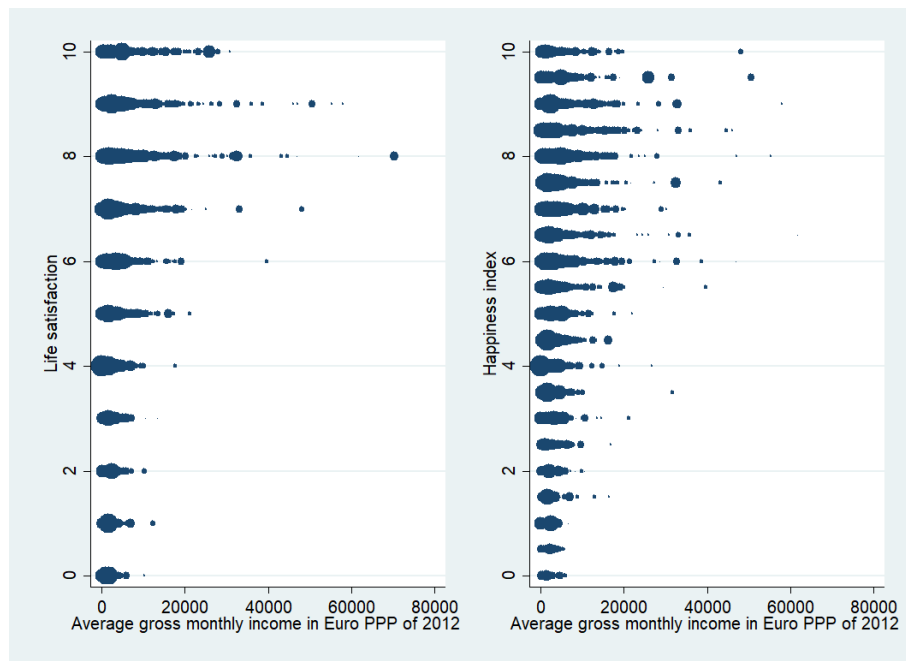
Individual average gross monthly income ranges in our sample between almost EUR 0 and EUR 162,651 with mean EUR 1,906 and median EUR 1,599 (see Table 1). We use gross income, that means including all social contributions and income taxes payable by an employee or by the employer on behalf of the employee, because net income is not provided in all sample countries. The distribution of average monthly income follows a common log-normal distribution but is disturbed with high frequency at the origin. The high share of observations at the origin might be explained by the low income of part-time employees. To avoid any possible bias, we also analyze several subsets of individuals with various income ranges. The analysis yields similar results.

Figure 6 shows that low earners report quite evenly low and high subjective well-being levels, whereas high earners tend to report more often higher SWB irrespective of its measure. Without the correlation between SWB and income, Figure 6 should look like a regular grid. Observations are, however, concentrated at the origin, while the lower right corner of the grid is empty. People with gross monthly income over EUR 25,000 report life satisfaction 6 and more and HI at least 3. Figure 7 shows that the spread of reported SWB narrows with higher income and it narrows faster for LS than HI. This again suggests that HI is closer to normal distribution than LS. Figure 7 suggests that low income is not related to low life satisfaction while high income is associated with high life satisfaction which is in accordance with other well-being literature findings. For example, Oishi & Kesebir (2015) or Stevenson & Wolfers (2008) based on GDP as income measure report higher subjective well-being in wealthier societies. Similarly, studies analyzing individual-level data find mostly positive income effect on SWB (e.g., Stevenson & Wolfers (2008); Frijters *et al.* (2004); Hagerty & Veenhoven (2003); Graham & Pettinato (2002)).

Because we look on the financial channel in more detail, Table 3 summarizes the statistics of the financial channel proxies in six wage subsamples. We see a decreasing shares of respondents reporting financial troubles with increasing income. Income groups between EUR 500 and 20.000 per year (see columns (2) and (3)) are the most similar. Table 3 shows biggest differences between income groups in abilities to *Pay a meal with meat* and having a *Great difficulty to make ends meet*. These financial problems report about 20% of respondents with income lower than EUR 500 per year (column(1)), in the second income group the share drops by one half to 10% and among respondents with income between

EUR 40,000 and 100,000 per year (column (6)) to less than 2%. The wage groups are gender unbalanced as there are 57% of women among the low-earners and only about 30% among the high-earners.

Figure 6: Raw correlation between subjective well-being and average gross monthly income

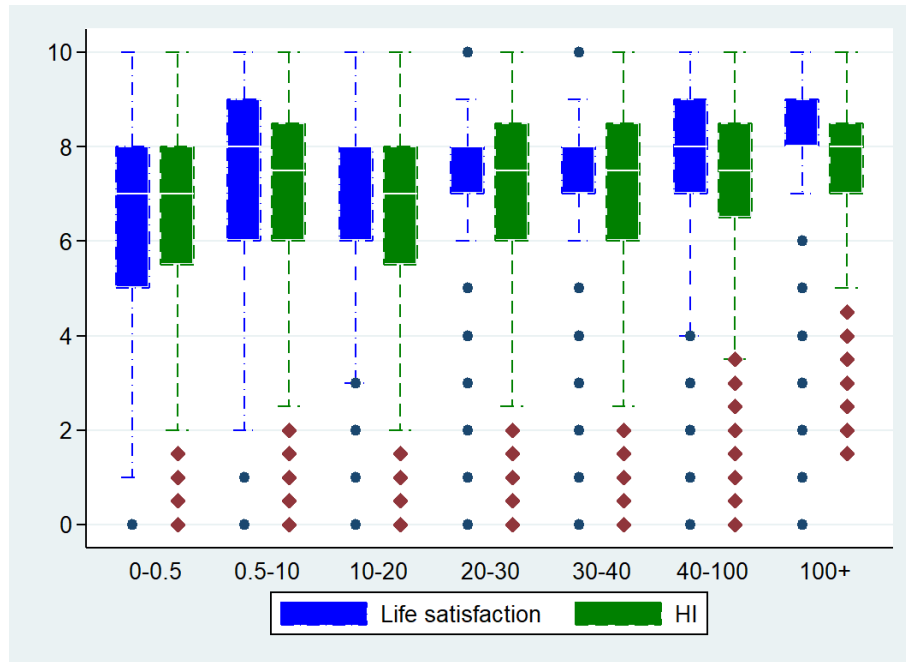


Source: The data coming from EU-SILC 2013 of 139,938 employees that filled the well-being module and all individual characteristics used for the analysis. Data are weighted by sample weights.

Notes: Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Only observations of gross monthly income below EUR 80,000 displayed for better clarity. The size of a dot representing one individual is 0.4 mm.

As a result of EU-SILC 2013 incompleteness (missing and other than defined values), the sample for the analysis where well-being is measured by life satisfaction consists of 139,938 employed respondents and where HI is used of 136,753 employed respondents (about 70% of all employed observed in EU-SILC 2013). Under the assumption that answers to the well-being module are randomly missing (supported by the similar distribution of income among respondents and non-respondents), the analysis on this restricted sample should provide consistent results.

Figure 7: The correlation between financial cohorts and well-being indicators



Source: The data coming from EU-SILC 2013 of 139,938 (LS) and 136,753 (HI) employees that filled the well-being module and all individual characteristics used for the analysis, respectively. Data are weighted by sample weights.

Notes: Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Happiness index express the feelings in past four weeks and more positive feelings result in higher HI on the 0 – 10 scale.

Table 3: EU-SILC 2013 Summary of Basic needs satisfaction proxies according to income level

Shares of the variables	0-0.5 €	0.5-10 €	10-20 €	20-30€	30-40€	40-100 €	Full
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Pay unexpected expenses	59.1%	42.3%	41.0%	32.9%	21.4%	10.9%	33.2%
Pay meat meal	22.5%	10.7%	7.4%	5.6%	3.0%	1.7%	7.1%
Great difficulty EM	19.6%	11.4%	9.2%	5.9%	2.6%	1.1%	7.5%
Difficulty EM	27.5%	18.0%	17.3%	12.5%	7.8%	3.5%	13.5%
Some difficulty EM	36.4%	31.6%	31.9%	30.3%	22.3%	13.7%	27.5%
Female	57.0%	58.0%	63.6%	49.5%	40.7%	29.7%	50.6%
Observations	13,296	45,154	27,294	21,839	14,097	16,943	139,690

Source: The data coming from EU-SILC 2013 of 139,938 (LS) and 136,753 (HI) employees that filled the well-being module and all individual characteristics used for the analysis, respectively. Data are weighted by sample weights.

Notes: Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Happiness index express the feelings in past four weeks and more positive feelings result in higher HI on the 0 – 10 scale.

5 Discussion of the results

The determinants of subjective well-being are analyzed with special attention given to social and financial channels. Following the approach by Kahneman & Deaton (2010) we compare two measures of subjective well-being (SWB): *eudaimonic* well-being captured by life satisfaction and *hedonic* well-being captured by the happiness index. To be sure that the presented results are not biased by adding redundant information, we first include only those socio-economic indicators that are most often used in the related literature to explain variation in subjective well-being. The obtained results point towards similar relationships as reported by the previous literature summarized by Clark (2018). Table 4 show a well-known U-shape relationship between age and subjective well-being, higher SWB of married people and lower SWB of the divorced. Higher levels of education correspond to higher SWB and the impact of individual's income seems to be positive as well. These results are consistent between both measures of SWB: life satisfaction reported in the first three columns of Table 4 and happiness index reported in the last three columns of Table 4. Because the signs, significance levels, and the size of marginal effects are stable across models (OLS, ordered probit, and ordered logit, respectively), we turn to the OLS model as our preferred specification because of its straightforward interpretation. Therefore, we further report only the OLS estimates while the results of the ordered models can be found in the Appendix. As discussed in the previous sections, we can understand the OLS estimates as median estimates because we assume the latent SWB to be symmetric around its median value. That means, the results should be interpreted only for people from the middle of the sample distribution instead of an average effect. Therefore, we map the SWB correlates across the whole distribution in the quantile regression at the end.

5.1 Life satisfaction vs. hedonic well-being

Table 4 reports the baseline regression results using three models (OLS, ordered probit, and ordered logit) and two measures of SWB: life satisfaction and happiness index. As argued by Kahneman & Deaton (2010), these two measures capture somewhat different aspects of subjective well-being. Self-reported life satisfaction captures the *eudaimonic* part of subjective well-being, that means LS is influenced by self-esteem and meaning of life. Happiness index, as a measure based on the reported frequency of experiencing certain feelings, captures the overall mood in the past four weeks and is probably not affected by individual's self-esteem and pride. This is why the latter is often referred to as emotional well-being or *hedonic* WB. Similarly as Kahneman & Deaton (2010) we find that higher income is associated with higher levels of life satisfaction. On the other hand, unlike Kahneman & Deaton (2010) in the baseline specification we also find a positive, although somewhat weaker, relationship between income and HI. Nevertheless, as reported in Table 6, this relationship almost disappears when controlling for basic needs fulfillment.

There are only few differences between the two measures of SWB that can be spotted in the baseline analysis. In general, aspects of life connected with prestige – income, job position, marriage, tertiary education, and ownership of dwelling – more strongly affect LS than *hedonic* well-being. This seems to be intuitive, as LS contains by definition not only emotions but also the satisfaction aspect of life. Interesting are the gender differences between predicted life satisfaction (LS) and *hedonic* well-being

(HI). While the OLS model predicts that LS of women is only by 0.1 higher than LS of comparable men, HI of women is estimated to be by 0.34 lower than HI of men. This would mean that women are on average somewhat more satisfied with their lives than men, but are less happy than men. This finding encourages us to deeper investigate the gender differences in perception of well-being. Because the signs of the effects (except gender) are the same for LS and HI we report mainly the LS estimates for comparison with the literature further and the HI estimates can be found in the Appendix.

Table 4: Model of SWB drivers common in the literature

	LS-OLS	LS-Oprobit	LS-Ologit	HI-OLS	HI-Oprobit	HI-Ologit
	(1)	(2)	(3)	(4)	(5)	(6)
ln(income)	0.223*** (0.027)	0.133*** (0.014)	0.247*** (0.024)	0.135*** (0.013)	0.077*** (0.009)	0.143*** (0.016)
Hours worked	−0.008*** (0.002)	−0.005*** (0.001)	−0.009*** (0.002)	−0.008*** (0.001)	−0.005*** (0.001)	−0.008*** (0.002)
Manager (d)	0.164*** (0.026)	0.106*** (0.015)	0.185*** (0.025)	0.053** (0.026)	0.031* (0.017)	0.054** (0.027)
Elementary work (d)	−0.185*** (0.034)	−0.100*** (0.017)	−0.184*** (0.033)	−0.191*** (0.025)	−0.104*** (0.014)	−0.202*** (0.026)
Temporary job (d)	−0.200*** (0.022)	−0.118*** (0.016)	−0.203*** (0.027)	−0.128*** (0.023)	−0.075*** (0.012)	−0.127*** (0.019)
Age	−0.113*** (0.004)	−0.072*** (0.003)	−0.126*** (0.005)	−0.076*** (0.005)	−0.046*** (0.003)	−0.080*** (0.005)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.000*** (0.000)	0.001*** (0.000)
Female (d)	0.102*** (0.031)	0.067*** (0.020)	0.118*** (0.036)	−0.340*** (0.049)	−0.216*** (0.028)	−0.382*** (0.051)
Has a child (d)	−0.062** (0.023)	−0.039*** (0.014)	−0.070*** (0.022)	−0.121*** (0.018)	−0.076*** (0.012)	−0.137*** (0.020)
Female x child (d)	−0.010 (0.054)	−0.005 (0.031)	−0.010 (0.048)	0.017 (0.042)	0.016 (0.022)	0.036 (0.034)
Married (d)	0.462*** (0.019)	0.300*** (0.008)	0.527*** (0.013)	0.203*** (0.020)	0.118*** (0.012)	0.210*** (0.020)
Widow (d)	−0.250*** (0.042)	−0.139*** (0.025)	−0.273*** (0.042)	−0.249*** (0.033)	−0.141*** (0.019)	−0.239*** (0.037)
Primary education (d)	−0.212** (0.085)	−0.096** (0.043)	−0.184** (0.081)	−0.191** (0.093)	−0.108** (0.052)	−0.194* (0.100)
Tertiary education (d)	0.217*** (0.024)	0.129*** (0.018)	0.233*** (0.031)	0.122*** (0.019)	0.057*** (0.013)	0.096*** (0.024)
Health limit (d)	−0.622***	−0.378***	−0.664***	−0.831***	−0.481***	−0.831***

Continued on next page

	LS-OLS	LS-Oprobit	LS-Ologit	HI-OLS	HI-Oprobit	HI-Ologit
	(1)	(2)	(3)	(4)	(5)	(6)
	(0.063)	(0.037)	(0.063)	(0.046)	(0.029)	(0.057)
Country FE	yes	yes	yes	yes	yes	yes
Constant	8.357***			8.346***		
	(0.186)			(0.180)		
<i>N</i>	139,938	139,938	139,938	136,753	136,753	136,753
Adj. R^2	0.151			0.129		
Pseudo R^2		0.041	0.043		0.026	0.027

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

5.2 Social Channel

Several studies point to the importance of friendship and social connections for individual's well-being, for example, Janhuba (2018); Krasnova *et al.* (2013); Yuan & Golpelwar (2013); Hendrickson *et al.* (2011)). Socially connected people feel less loneliness and more security because they can discuss their troubles with others. For example, Helliwell (2003) discusses the option that positive religion effect found in the literature might be caused by the existence of social (religious) network. Okulicz-Kozaryn (2010) found that religion increases SWB through enhancing social capital. Janhuba (2018) finds evidence that positive emotions are more intensive if they are shared. To test the relevance of the social channel, we add variables capturing the social aspect of one's life to the model. First, we approximate social relationships by a dummy variable *Friend* indicating whether the person has someone to discuss personal matters with. Having such a *Friend* identifies the existence of at least binomial social network. Second, we use the self-reported degree to which people *Trust others* because this variable is believed to predict their tendency to socialize and thus can be understood as a proxy for the quality of their social relationships. Third, we map the existence of social relationships by a dummy variable *Available help* referring to the respondent's possibility to ask for any kind of help.

All selected social proxies indicate the existence of at least very small social network. The question of *Trusting others* is more general and as measured on 0-10 scale provides higher flexibility of the answer. It's interpretation is, however, ambiguous. We cannot distinguish whether the respondent has a friend and otherwise does not trust others; or whether the respondent trusts others to a certain degree but does not have a friend or any social contact at all. Moreover, *Trusting others* generally might be connected with the culture and living environment, for example how much the respondent trusts the public institutions. The EU-SILC data contain also questions regarding trust in police, trust in legal system, and trust in political system. All three are correlated with the *Trust others* question. On the other hand, the *Friend* question is concrete with a *yes/no* answer. It identifies people with at least some social contact. The *Avail. help* question is also concrete with a *yes/no* answer and may identify a stronger social contact than having a *Friend* because the respondent has someone to ask for a help (e.g. moral, material, financial). These two variables are correlated (0.32) and differ in the considered group of people. While *Avail. help*

should not include relatives and friends living in the same household, this restriction does not hold for the variable *Friend*. It means that *Friend* maps more social connections than *Available help*. As we are concerned only about the existence of the social channel and not its quality, the variable *Friend* seems to be the best social proxy.

Columns two, three, and four of Table 5 show a strong and statistically significant positive effect of all social proxies, having a *Friend* (1.07), *Trusting others* (0.2), and *Available help* (1.05) on LS. Taking into account that *Friend* and *Available help* are dichotomous while *Trust others* is measured on a 0–10 scale, the magnitude of their effects is similar. While the variable *Trusting others* is normally distributed in our sample, 94% of individuals in our sample report having a friend, the estimated effect of this variable on life satisfaction is driven by the few ones not having anyone to discuss personal matters with. Similarly, 96% of respondents in our sample reported that they have possibility to ask for help. This indicates a strong negative effect of *not* having social network on subjective life satisfaction. The effect of the social proxies on HI is almost the same, as reported in columns six, seven, and eight of Table 5.

Table 5: Impact of social channel on subjective well-being

OLS	LS	LS-friend	LS-trust	LS-help	HI	HI-friend	HI-trust	HI-help
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
ln(income)	0.223*** (0.027)	0.213*** (0.026)	0.195*** (0.024)	0.208*** (0.024)	0.135*** (0.013)	0.124*** (0.012)	0.112*** (0.011)	0.121*** (0.011)
Friend (d)		1.067*** (0.125)				1.173*** (0.075)		
Trust others (0-10)			0.202*** (0.015)				0.172*** (0.010)	
Available help (d)				1.053*** (0.123)				1.205*** (0.121)
Personal characteristics	yes	yes	yes	yes	yes	yes	yes	yes
Country FE	yes	yes	yes	yes	yes	yes	yes	yes
<i>N</i>	139,938	139,876	138,209	138,787	136,753	136,715	135,284	135,784
<i>R</i> ²	0.151	0.170	0.206	0.166	0.129	0.152	0.169	0.148

Notes: Based on EU-SILC 2013 data. Sample consists of employees answering the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Basic model specified as in Table 4. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

The social channel reveals to be important for subjective well-being, it accounts for up to 20% of the SWB variance. We show that the SWB–social channel relationship does not change with different social proxies. Adding the social channel to the basic model presented in Table 4 increased the explained variance of the model from 15% to at least 17% and did not change other estimates significantly. This supports our hypothesis that the social channel influences subjective well-being and not vice versa. The endogeneity problem is commonly discussed in the well-being literature as subjective well-being might be to a certain degree determined by personality traits (Diener *et al.* 1993; DeNeve & Cooper 1998). Personality traits should, however, according to Geers *et al.* (1998) not influence the number of friends. Because of the aforementioned concerns, we include the social proxy *Friend* in the following analysis to reduce possible omitted variable bias.

5.3 Financial channel

Studies analyzing individual-level data find mostly positive income effect on SWB (for example, Stevenson & Wolfers (2008); Frijters *et al.* (2004); Hagerty & Veenhoven (2003); Graham & Pettinato (2002)). Some studies, however, argue that there is a positive income effect only up to a certain threshold, also called the satiation point, (for example, Jebb *et al.* (2018); Kahneman & Deaton (2010); Di Tella & MacCulloch (2008)) or that no such threshold exists (for example, Stevenson & Wolfers (2013)). We speak to the satiation point discussion by incorporating several measures capturing the ability to pay for basic needs into the analysis. This allows us to distinguish between income necessary to satisfy basic needs from money that might be used for unnecessary consumption (that means other than vital expenses). Moreover, we observe their spending/savings habits, that means whether people make financial reserves or whether they spent all their income. According to the psychological studies by Matz *et al.* (2016); Mogilner & Norton (2016) the way how money are spent is more important for SWB than income itself. To the best of our knowledge no SWB-study with a large data sample has incorporated a money use proxy before.

First, as reported in Table 4 and Table 5, we also confirm the positive income effect. Our OLS estimates suggest that one percentage increase of earnings is associated with an increase of life satisfaction by 0.22 units and of happiness index by 0.13 units. Further, we approach the satiation point hypothesis by including measures of being able to fulfill the basic needs in the specification. We refer here to Di Tella & MacCulloch (2008) who claim that the satiation point is reached once basic needs are satisfied. We gradually include three basic measures in the specification: a dummy indicating being unable to pay a meal with meat at least every other day (*Pay meat meal*), a dummy indicating being unable to pay unexpected expenses (*Pay unexpected expanses*), and three dummies measuring the extent to which a household has difficulties to make ends meet. For more detail about the variables capturing basic needs satisfaction, please, see Section 4. Respondents that can *Pay unexpected expanses* have financial reserves. Respondents with difficulties to make ends meet probably spent/consume majority of their monthly income and may also have loans or, on the contrary, financial reserves from previous years that they do not want to dissolve. These two variables, however, does not tell us why the household does not have enough money. We do not know whether the household has large rather unnecessary (other than vital) consumption or whether the income covers only living staff. The variable *Pay meat meal* may help to identify the second case, it identifies people that live under common standard, as they may limit their basic need, that means food consumption, because of a financial shortage. Therefore, it is meaningful to include all three variables capturing the basic needs satisfaction into the specification. Table 6 compares the results of the basic model presented in the second column of Table 5 with models gradually extended with the variables capturing basic needs satisfaction up to the full model in column 8, to test whether these variables can fully or partially explain the income effect on SWB.

The results presented in Table 6 indeed reveal that being able to satisfy the basic needs is a crucial part of the relationship between income and SWB. Controlling for a set of variables measuring the extent to which one's household has difficulties to make ends meet cuts the estimate of the income effect in half and increases the R-squared from 0.170 to 0.218. The estimated relationship between having *Great difficulties to make ends meet* and life satisfaction is very strong (see columns 4 and 8) – between 1.2

and 1.5, i.e. about 85% of the standard deviation of the life satisfaction measure. When the full set of variables measuring basic needs satisfaction is included, the estimated relationship between log-income and life satisfaction drops to 0.089, less than half of the baseline estimate. This suggests that after basic needs are satisfied, the relationship between income and SWB is much weaker.

Controlling for basic needs satisfaction has even stronger effect on the relationship between income and SWB when SWB is measured using the happiness index. Column 9 of Table 6 shows that after inclusion of the full set of variables measuring basic needs satisfaction the coefficient by log-income drops to 0.026, less than a fifth of the baseline estimate. This result highlights important difference between the two measures of SWB used in this paper. As argued earlier, life satisfaction likely captures more than an individual's well-being. This self-reported value might be inflated by personal valuation of self-worth and biased by comparison to others or to own expectations and ambitions. The happiness index should be much less affected by these factors, because it summarizes the frequency of experiences well-defined feelings. This might be the reason why the relationship between income and the happiness index is almost entirely explained by the ability to satisfy basic needs, while after controlling for basic needs satisfaction still a significant relationship between income and life satisfaction remains. This remaining relationship might be interpreted as satisfaction derived from money independently from basic needs fulfillment.

Table 6: The effect of financial channel on subjective well-being

Life satisfaction (OLS)	Basic (1)	Meat (2)	Exp. (3)	Ends Meet (4)	Meat+EM (5)	Exp.+EM (6)	Meat+Exp. (7)	Full (8)	HI-Full (9)
ln(income)	0.213*** (0.026)	0.188*** (0.024)	0.147*** (0.023)	0.111*** (0.025)	0.103*** (0.024)	0.095*** (0.023)	0.135*** (0.022)	0.089*** (0.022)	0.026* (0.013)
Pay unexpected expenses (d) (unable)			-0.629*** (0.033)			-0.283*** (0.020)	-0.563*** (0.033)	-0.254*** (0.021)	-0.209*** (0.022)
Pay meat meal (d) (unable)		-0.758*** (0.061)			-0.425*** (0.064)		-0.558*** (0.061)	-0.374*** (0.066)	-0.257*** (0.035)
Great difficulty EM (d)				-1.499*** (0.123)	-1.392*** (0.123)	-1.308*** (0.117)		-1.235*** (0.116)	-1.060*** (0.077)
Difficulty EM (d)				-0.977*** (0.088)	-0.926*** (0.082)	-0.827*** (0.081)		-0.797*** (0.075)	-0.606*** (0.047)
Some difficulty EM (d)				-0.519***	-0.504***	-0.443***		-0.438***	-0.336***
Personal characteristics	yes	yes	yes	yes	yes	yes	yes	yes	yes
Country FE	yes	yes	yes	yes	yes	yes	yes	yes	yes
Observations	139,876	139,836	139,709	139,876	139,836	139,709	139,690	139,690	136,534
R ²	0.170	0.181	0.193	0.218	0.221	0.222	0.198	0.224	0.187

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Only selected variable estimates of the Basic model reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

To further test the satiation point hypothesis, we repeat the full model estimation on subsamples defined according to yearly income levels. Each column of Table 7 corresponds to one subsample with column names corresponding to the yearly income interval in thousands of EUR. The results indicate that the impact of basic needs satisfaction is quite stable over income levels while the income effect significantly weakens. This means that there is either a satiation point above EUR 30 thousand/year or that the income–SWB relationship changes its shape, e.g. the same welfare benefit might bring one percentage income increase for low earners as would do ten percentage increase for high earners. The second case would be in line with adaptation theory and changed aspirations discussed in previous literature (Hagerty & Veenhoven 2003; Graham & Pettinato 2002).

In the samples of high earners we observe a stronger relationship between the ability to *Pay unexpected expenses* and SWB and between *Some difficulties to make ends meet* and SWB than in the sample of low earners. It is worth noting, that among people with income between EUR 30 thousand and 100 thousand problems with these two basic needs satisfaction report more than 10 % of the sample respondents, by the remaining basic needs satisfaction proxies it is less than 4 % of people in the sample. For complete statistics, please see Table 3. These results might be explained by higher probability of unexpected expenditures by the high earners as they may administer much more property. If people have to pay unexpected expenditures more often, they may see it as a larger problem. Because they have to pay the unexpected expenditures they may feel *Some difficulties to make ends meet* because they have higher expenditures than they have expected. And we see weaker relationship in the sample of high earners between SWB and being able to *Pay a meal with meat*, *Difficulties to make ends meet*, and *Great difficulties to make ends meet* than in the sample of low earners. So the results on the income subsamples seems to be reasonable.

The results may contribute to the discussion about optimal minimum wage. There is only little evidence on how changes in minimum–wage influence the well–being of employees. Kuroki (2018) recently published a study indicating that after a 10% minimum wage subjective well-being increases only marginally. Otherwise the literature focuses on the effect of minimum wage on employment (see, for example, the summary from Neumark *et al.* (2007)) but does not account for the utility effect for current employees. We show that the strength of the income–welfare relationship monotonically weakens with increasing income and that after controlling for basic household needs satisfaction, the income effect remains only by low and middle earners. For them a 10% increase in income improves employee’s well–being significantly.

To sum up, Table 7 shows that the income effect drops after inclusion of the basic needs satisfaction proxies to one half in all income subsamples except the border samples (see first two lines). The income effect remains strong for the low earners (column (1)) and almost disappears for the high earners (column (6)). It signals that the income–SWB relationship significantly differs at tails. Therefore, we further inspect the income–SWB relationship for various quantiles of the population in subsection 5.5. Our results are in line with previous studies investigating the existence of a satiation point in the income–SWB relationship (Jebb *et al.* 2018; Kahneman & Deaton 2010; Di Tella & MacCulloch 2008). Table 8 presents the estimated coefficients of the basic needs satisfaction proxies and income effect on happiness index. As in the full sample (column (7)), the positive income effect practically disappears in all income

subsamples except the low earners (column(1)). By the ability to *pay a meal with meat* we see the difference between the two SWB measures. Limiting the daily consumption does not affect the life satisfaction of high earners and significantly decreases their happiness index – approximately by 0.5 which is two times more than by low earners. This is in line with our interpretation of the difference between HI (emotional well-being) and LS (WB plus self-worth and ambitions). The impact of basic needs satisfaction is again significant for all income levels and the impact of *Difficulties to make ends meet* is quite stable over income levels. These results signal that life satisfaction is more affected by money than happiness index which is more stable over the income levels, and satisfaction of basic household needs significantly improves the SWB irrespective of its measure.

Table 7: Financial Channel - Subsamples (LS)

Response variable	0-0.5 €	0.5-10 €	10-20 €	20-30€	30-40€	40-100 €	Full
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	(7)
ln(income)	0.444***	0.202***	0.284***	0.645***	0.125	0.245***	0.213***
BASIC MODEL	(0.098)	(0.044)	(0.080)	(0.121)	(0.204)	(0.048)	(0.026)
ln(income)	0.292***	0.104***	0.141*	0.327**	-0.091	0.062*	0.089***
	(0.058)	(0.029)	(0.074)	(0.127)	(0.193)	(0.036)	(0.022)
Pay unexpected expenses (d)	-0.277***	-0.173***	-0.286***	-0.259***	-0.204***	-0.447***	-0.254***
	(0.037)	(0.026)	(0.045)	(0.050)	(0.047)	(0.058)	(0.021)
Pay meat meal (d)	-0.383***	-0.395***	-0.355***	-0.357*	-0.058	-0.209	-0.374***
	(0.065)	(0.074)	(0.096)	(0.174)	(0.122)	(0.195)	(0.066)
Great difficulty EM (d)	-1.521***	-1.138***	-1.252***	-1.342***	-1.235***	-0.930***	-1.235***
	(0.119)	(0.152)	(0.167)	(0.136)	(0.224)	(0.149)	(0.116)
Difficulty EM (d)	-0.919***	-0.765***	-0.845***	-0.813***	-0.727***	-0.722***	-0.797***
	(0.086)	(0.110)	(0.093)	(0.106)	(0.091)	(0.066)	(0.075)
Some difficulty EM (d)	-0.420***	-0.416***	-0.464***	-0.367***	-0.560***	-0.523***	-0.438***
	(0.061)	(0.080)	(0.035)	(0.066)	(0.124)	(0.101)	(0.062)
Personal characteristics	yes	yes	yes	yes	yes	yes	yes
Country FE	yes (31)	yes (31)	yes (28)	yes (26)	yes (24)	yes (23)	yes (32)
Observations	13,296	45,154	27,294	21,839	14,097	16,943	139,690
R^2	0.284	0.257	0.194	0.186	0.169	0.159	0.224
Adjusted R^2	0.281	0.256	0.193	0.185	0.166	0.156	0.223

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. Names of the columns correspond to thousands of EUR in PPP of 2012. Numbers in parentheses by the country fixed effects correspond to the number of countries in the particular subsample. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Only selected variable estimates reported, otherwise models specified as in Table 6. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

5.4 Demographic characteristics and subjective well-being

5.4.1 Gender differences

The baseline analysis summarized in Table 3 reveals significant gender differences in the average levels of both measures of SWB. In this section we further investigate gender differences by re-estimating the basic and the full model separately for men and women. The results of this exercise are presented in Table 9, where columns (1) and (2) repeat the basic and the full model, columns (3) and (4) present

Table 8: Financial Channel - Subsamples (HI)

Response variable	0-0.5 €	0.5-10 €	10-20 €	20-30€	30-40€	40-100 €	Full
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	(7)
ln(income)	0.214***	0.119***	0.033	0.315**	0.528	0.102**	0.124***
BASIC MODEL	(0.069)	(0.043)	(0.073)	(0.141)	(0.386)	(0.044)	(0.012)
ln(income)	0.123**	0.039	−0.074	0.048	0.304	−0.059*	0.026*
	(0.048)	(0.039)	(0.064)	(0.163)	(0.347)	(0.030)	(0.013)
Pay unexpected expenses (d)	−0.079	−0.224***	−0.186***	−0.155**	−0.217***	−0.436***	−0.209***
	(0.054)	(0.044)	(0.052)	(0.067)	(0.050)	(0.045)	(0.022)
Pay meat meal (d)	−0.248***	−0.185***	−0.163	−0.355***	−0.443***	−0.546***	−0.257***
	(0.062)	(0.055)	(0.110)	(0.087)	(0.154)	(0.191)	(0.035)
Great difficulty EM (d)	−0.971***	−1.037***	−1.085***	−1.193***	−1.152***	−1.045***	−1.060***
	(0.102)	(0.095)	(0.096)	(0.175)	(0.184)	(0.159)	(0.077)
Difficulty EM (d)	−0.604***	−0.564***	−0.711***	−0.626***	−0.571***	−0.586***	−0.606***
	(0.091)	(0.066)	(0.060)	(0.108)	(0.073)	(0.076)	(0.047)
Some difficulty EM (d)	−0.268***	−0.326***	−0.365***	−0.335***	−0.377***	−0.357***	−0.336***
	(0.046)	(0.063)	(0.022)	(0.058)	(0.054)	(0.104)	(0.038)
Personal characteristics	yes	yes	yes	yes	yes	yes	yes
Country FE	yes	yes	yes	yes	yes	yes	yes
Observations	13055	43488	26631	21512	13968	16820	136534
R^2	0.219	0.216	0.170	0.179	0.164	0.181	0.187
Adjusted R^2	0.216	0.215	0.168	0.177	0.161	0.179	0.187

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. Names of the columns correspond to thousands of EUR in PPP of 2012. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Only selected variable estimates reported, otherwise models specified as in Table 6.

***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

estimates of both models on the sample of men, and columns (5) and (6) present estimates of both models on the sample of women.

Table 9 reveals that the SWB of men and women is affected by the same factors with only small differences between genders. We show that women are slightly more sensitive to basic needs satisfaction, while men's SWB is more sensitive to income and job position. This might partially explain why women earn on average less than men (Carnevale *et al.* 2018; Evers & Sieverding 2014), though the differences in their SWB are not large

The most pronounced difference observed in Table 9 is the effect of having a child. Columns (3) and (5) suggest that being a parent does not affect SWB of men, but it negatively affects SWB of women. When a set of variables controlling for basic needs satisfaction is added to the model – see columns (4) and (6) – men's well-being becomes positively affected by having a child, while for women the negative effect of children disappears. This suggests that a significant part of the relationship between being a parent and SWB is driven by the (dis-)ability to satisfy basic needs of the family.¹⁰

Interestingly, women are a little bit less sensitive to crime in their neighborhood than men but they care more about the living conditions within the dwelling and they are more satisfied if they own the dwelling. These results signal that women's SWB depends on the level of their security which might be influenced not only by satisfaction of their basic needs including the living conditions, but also in terms of their social connections.

Table 9: Gender differences

Response variable	All-basic	All-full	Men-basic	Men-full	Women-basic	Women-full
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)
ln(income)	0.213*** (0.026)	0.089*** (0.022)	0.250*** (0.019)	0.108*** (0.022)	0.198*** (0.042)	0.085*** (0.035)
Pay unexpected expenses (d)		−0.254*** (0.021)		−0.246*** (0.029)		−0.255*** (0.022)
Pay meat meal (d)		−0.374*** (0.066)		−0.353*** (0.085)		−0.384*** (0.061)
Great difficulty EM (d)		−1.235*** (0.116)		−1.137*** (0.117)		−1.322*** (0.119)
Difficulty EM (d)		−0.797*** (0.075)		−0.767*** (0.093)		−0.819*** (0.062)
Some difficulty EM (d)		−0.438*** (0.062)		−0.440*** (0.074)		−0.432*** (0.055)
Hours worked	−0.007*** (0.002)	−0.005*** (0.001)	−0.004*** (0.001)	−0.003** (0.001)	−0.008*** (0.003)	−0.007*** (0.002)
Manager (d)	0.152***	0.105***	0.175***	0.124***	0.120***	0.083***

¹⁰Studying the relationship between being a parent and subjective well-being is not the scope of this paper which analyzes only the sample of employed individuals. Some insight on the effect of children on individual well-being can be found in Clark *et al.* (2008); Stanca (2012); Baetschmann *et al.* (2016). For the relationship between the number of children and parental well-being see Pertold-Gebicka & Spolcova (2019).

	(0.022)	(0.019)	(0.028)	(0.026)	(0.026)	(0.023)
Elementary work (d)	-0.162***	-0.044	-0.178***	-0.055	-0.140***	-0.025
	(0.033)	(0.028)	(0.048)	(0.047)	(0.036)	(0.034)
Temporary job (d)	-0.184***	-0.146***	-0.209***	-0.169***	-0.153***	-0.122***
	(0.025)	(0.020)	(0.042)	(0.039)	(0.046)	(0.041)
Age	-0.107***	-0.091***	-0.115***	-0.100***	-0.102***	-0.083***
	(0.004)	(0.004)	(0.008)	(0.008)	(0.003)	(0.003)
Age squared	0.001***	0.001***	0.001***	0.001***	0.001***	0.001***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Female (d)	0.074**	0.065*				
	(0.035)	(0.033)				
Has a child (d)	-0.060***	0.075***	0.006	0.102**	-0.101**	0.007
	(0.022)	(0.025)	(0.030)	(0.037)	(0.042)	(0.034)
Female x child (d)	-0.002	-0.048				
	(0.053)	(0.045)				
Married (d)	0.426***	0.339***	0.296***	0.285***	0.508***	0.365***
	(0.017)	(0.015)	(0.024)	(0.024)	(0.037)	(0.030)
Widow (d)	-0.224***	-0.240***	-0.184	-0.218**	-0.196***	-0.220***
	(0.038)	(0.037)	(0.110)	(0.104)	(0.036)	(0.035)
Primary education (d)	-0.179**	-0.050	-0.127	0.011	-0.240***	-0.130*
	(0.082)	(0.061)	(0.120)	(0.101)	(0.083)	(0.073)
Tertiary education (d)	0.206***	0.080***	0.184***	0.069**	0.228***	0.090***
	(0.024)	(0.022)	(0.027)	(0.026)	(0.024)	(0.022)
Health limit (d)	-0.599***	-0.492***	-0.581***	-0.489***	-0.608***	-0.491***
	(0.058)	(0.054)	(0.064)	(0.055)	(0.072)	(0.069)
Owner of dwelling (d)	0.252***	0.137***	0.192***	0.106***	0.298***	0.161***
	(0.033)	(0.024)	(0.032)	(0.027)	(0.036)	(0.026)
Bad living conditions (d)	-0.274***	-0.184***	-0.242***	-0.160***	-0.303***	-0.208***
	(0.028)	(0.027)	(0.027)	(0.022)	(0.036)	(0.035)
Crime in neighborhood (d)	-0.214***	-0.170***	-0.239***	-0.203***	-0.186***	-0.136***
	(0.027)	(0.022)	(0.043)	(0.030)	(0.024)	(0.026)
Friend (d)	1.067***	0.919***	0.994***	0.860***	1.155***	0.994***
	(0.125)	(0.122)	(0.088)	(0.082)	(0.184)	(0.183)
Constant	7.290***	8.670***	7.202***	8.694***	7.258***	8.548***
	(0.256)	(0.253)	(0.226)	(0.287)	(0.365)	(0.326)
Country FE	yes	yes	yes	yes	yes	yes
Observations	139,876	139,690	67,294	67,208	72,582	72,482
R^2	0.170	0.224	0.164	0.211	0.179	0.237
Adjusted R^2	0.170	0.223	0.163	0.211	0.179	0.237

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

5.4.2 Stability of coefficients over life time

Our baseline results confirm the U-shaped relationship between SWB and age commonly documented in the literature (for example, Blanchflower & Oswald (2008); Van Praag *et al.* (2003); Gerdtham & Johannesson (2001)), with the lowest life satisfaction reported by individuals around 50 years of age. Following the arguments of Frijters & Beaton (2012) we acknowledge that these findings might be partially driven by specific life events and conditions happening at different stages of life rather than by age itself. Therefore, we run an age sensitivity analysis by repeating the full model estimations on five age subgroups, as presented in Table 10.

In general, the youngest employees (between 15 and 29 years of age) and the oldest employees (above 60 years) report significantly different results than the full sample listed in the last column of Table 10. This might be driven by self-selection to the sample of employees, which is probably the strongest among the youngest and the oldest investigated cohort. There are only slight differences between the intermediate age groups. While the relationship between basic needs satisfaction and SWB is relatively constant across these age groups, the relationship between income and SWB is not. The estimated coefficient by $\ln(\text{income})$ for the age group 50-59 is twice the coefficient for the age group 40-49. This might be driven by much larger variation in income among individuals in the older age group.

It is also worth noting that having a dependent child living in the same household positively correlated with SWB of individuals in their 30s, but a negatively correlated with SWB of individuals in their 50s. This might be driven by the fact that older individuals usually share a household with teenagers, while younger individuals bring up small children. We show that marriage has a stable positive association with SWB, while widowhood is associated with the largest drop in SWB in the young age when the loss for the family is unexpected, though the association is strong also for older age groups.

Finally, we show that having someone to discuss personal matters with (Friend) is positively related to SWB for all age groups, but the relevant coefficient estimate decreases with age.

These results are in line with the arguments of Frijters & Beaton (2012) - namely, that certain life events are strongly correlated with the SWB. However, after controlling for these, we still find a U-shaped relationship between age and SWB.

Table 10: Difference in SWB between age cohorts

Life satisfaction	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
$\ln(\text{income})$	0.006 (0.021)	0.095** (0.037)	0.064** (0.026)	0.127*** (0.028)	0.048 (0.041)	0.089*** (0.022)
Pay unexpected expenses (d) (unable)	-0.200*** (0.027)	-0.261*** (0.042)	-0.263*** (0.025)	-0.264*** (0.048)	-0.330*** (0.052)	-0.254*** (0.021)
Continued on next page						

Life satisfaction	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
Pay meat meal (d)	−0.273*** (0.092)	−0.424*** (0.092)	−0.373*** (0.071)	−0.411*** (0.108)	−0.301 (0.267)	−0.374*** (0.066)
Great difficulty EM (d)	−0.963*** (0.158)	−1.183*** (0.119)	−1.389*** (0.124)	−1.220*** (0.135)	−1.634*** (0.197)	−1.235*** (0.116)
Difficulty EM (d)	−0.706*** (0.105)	−0.797*** (0.087)	−0.837*** (0.075)	−0.824*** (0.070)	−0.916*** (0.143)	−0.797*** (0.075)
Some difficulty EM (d)	−0.371*** (0.056)	−0.410*** (0.072)	−0.474*** (0.059)	−0.470*** (0.090)	−0.538*** (0.116)	−0.438*** (0.062)
Female (d)	0.056 (0.045)	0.117 (0.076)	0.052* (0.031)	0.021 (0.052)	−0.037 (0.090)	0.065* (0.033)
Female x child (d)	−0.083 (0.056)	−0.117 (0.082)	−0.024 (0.035)	−0.035 (0.078)	0.092 (0.093)	−0.048 (0.045)
Has a child (d)	0.060 (0.064)	0.237*** (0.063)	0.109*** (0.026)	−0.077* (0.041)	−0.085 (0.096)	0.075*** (0.025)
Married (d)	0.360*** (0.074)	0.208*** (0.024)	0.360*** (0.032)	0.364*** (0.035)	0.189** (0.080)	0.339*** (0.015)
Widow (d)	0.220 (0.243)	−0.871*** (0.168)	−0.030 (0.111)	−0.285*** (0.068)	−0.265* (0.149)	−0.240*** (0.037)
Friend (d)	0.888*** (0.100)	1.001*** (0.144)	1.024*** (0.121)	0.811*** (0.166)	0.777*** (0.123)	0.919*** (0.122)
Personal characteristics	yes	yes	yes	yes	yes	yes
Age	no	no	no	no	no	yes
Country FE	yes	yes	yes	yes	yes	yes
Observations	18,818	33,280	41,957	36,912	8,723	139,690
R^2	0.145	0.212	0.244	0.240	0.277	0.224

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

5.5 Testing the stability of subjective well-being drivers - a quantile regression approach

The often appearing criticism of models trying to predict subjective well-being drivers is that the relationship between different socio-economic factors or life circumstances and SWB might be nonlinear and highly heterogeneous. One way of approaching this criticism is to use nonlinear models for estimation. In earlier sections of this paper we have shown that ordered logit and ordered probit give almost the same results as OLS. However, these models are able to explain at most 22% of the variation in subjective well-being. This explanatory power is mainly driven by the inclusion of country dummies. The McFadden's pseudo R^2 for the corresponding ordered probit and ordered logit models equals only about 5%.

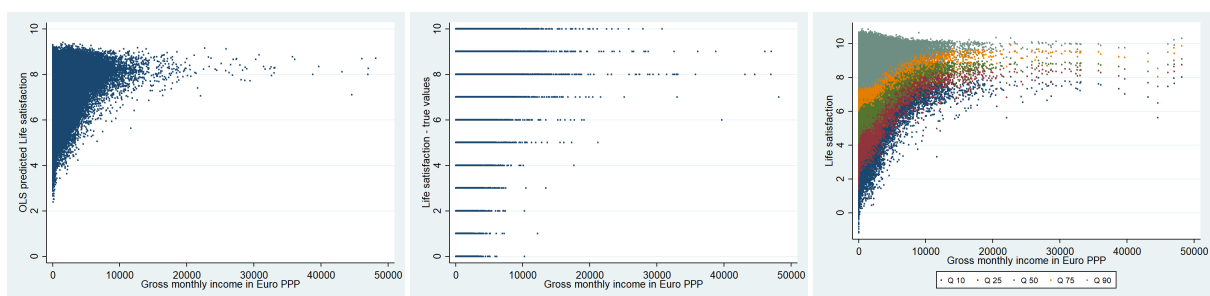
The poor model fit of OLS (and of the ordered models) could be driven by the fact that SWB

drivers do not have the same impact across the whole population. In such a case the estimate of the average relationship will be imprecise, especially for individuals with SWB measures closer to the extreme values. We test for heterogeneity of the relationship between individual characteristics and SWB using a quantile regression analysis. Quantile regression allows us to estimate the relationship between individual characteristics and SWB not only at the mean (Yuan & Golpelwar 2013; Binder & Freytag 2013; Gomanee *et al.* 2005), but at every quantile of the SWB distribution. This approach has been used in several studies of SWB, but never in the context of the income–SWB relationship.

Figure 8 depicts the fitted values of life satisfaction predicted by the full OLS model presented in the last column of Table 10 against monthly income in the left panel, true values of life satisfaction in the middle panel, and the values of life satisfaction predicted by the quantile regressions in the right panel. The fitted values are continuous, as both models assume a continuous dependent variable. The fitted values from both models follow a distribution similar to the empirical distribution of life satisfaction. However, the OLS model is unable to predict the tails. In the left panel of Figure 8 there are no fitted values for the values of life satisfaction in the interval of 0-2, and for the value of 10, although these values are relatively frequent in the sample. On the other hand, the quantile regression predicts fitted values over the whole spectrum of life satisfaction values when all quantiles are pooled.

The colors of the quantile fits go from the 10th quantile at the bottom of the figure to the 90th quantile at the top. The fitted life satisfaction values of the 10th quantile and the 25th quantile follow a concave shape and steeply rise to the monthly income of EUR 15,000. For these first two lowest quantiles, the variance of the estimated life satisfaction at the origin is much higher (around five levels) than for the remaining quantiles (around three levels). The fitted values of the 75th and the 90th quantiles look like a slightly skewed funnel with the middle on the life satisfaction value of 9. The quantile regression results indicate that rich people tend to report high levels of SWB irrespective of their income while the subjective well-being of the poorer ones might be slightly positively correlated with their wages. These results are in line with our findings from the income sensitivity analysis presented in Table 7 and Table 8.

Figure 8: Comparison between the OLS and quantile models fit

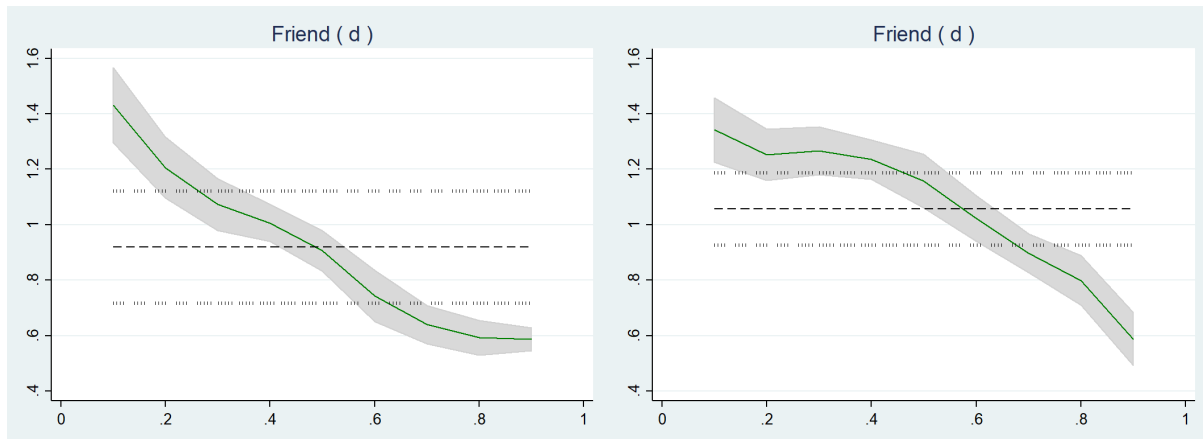


Notes: The data comes from EU-SILC 2013 sample of 142,112 employees. Graph by authors. Life satisfaction 0 means Not at all satisfied, 10 means Completely satisfied. Only observations of gross monthly income below EUR 50,000 displayed for better clarity. The size of a dot representing one individual is 0.4 mm.

Detailed regression results of the quantile regression for the 10th, 25th, 50th, 75th, and 90th percentiles are presented in Table 37 and Table 38 in the Appendix. One can observe that the signs of most of the coefficients remain consistent over the whole distribution of SWB, while the magnitudes change from the largest at the 10th percentile to the smallest at the 90th percentile. The median estimates (at

50th quantile) are very close to the mean (OLS) estimates. This means that the estimated mean effects are not specifically driven by the lower or upper tail of the conditional distribution and support our hypothesis that the distribution of SWB is symmetric. On the other hand, there appears to be significant heterogeneity in the relationship between SWB and the social and financial channels. This heterogeneity is illustrated in figures below.

Figure 9: Friend , dependent variable – Life satisfaction left, Happiness index right



Note: X-axis – quantiles, Y-axis – coefficient size; dashed lines refer to mean effect; 90 % confidence intervals reported.

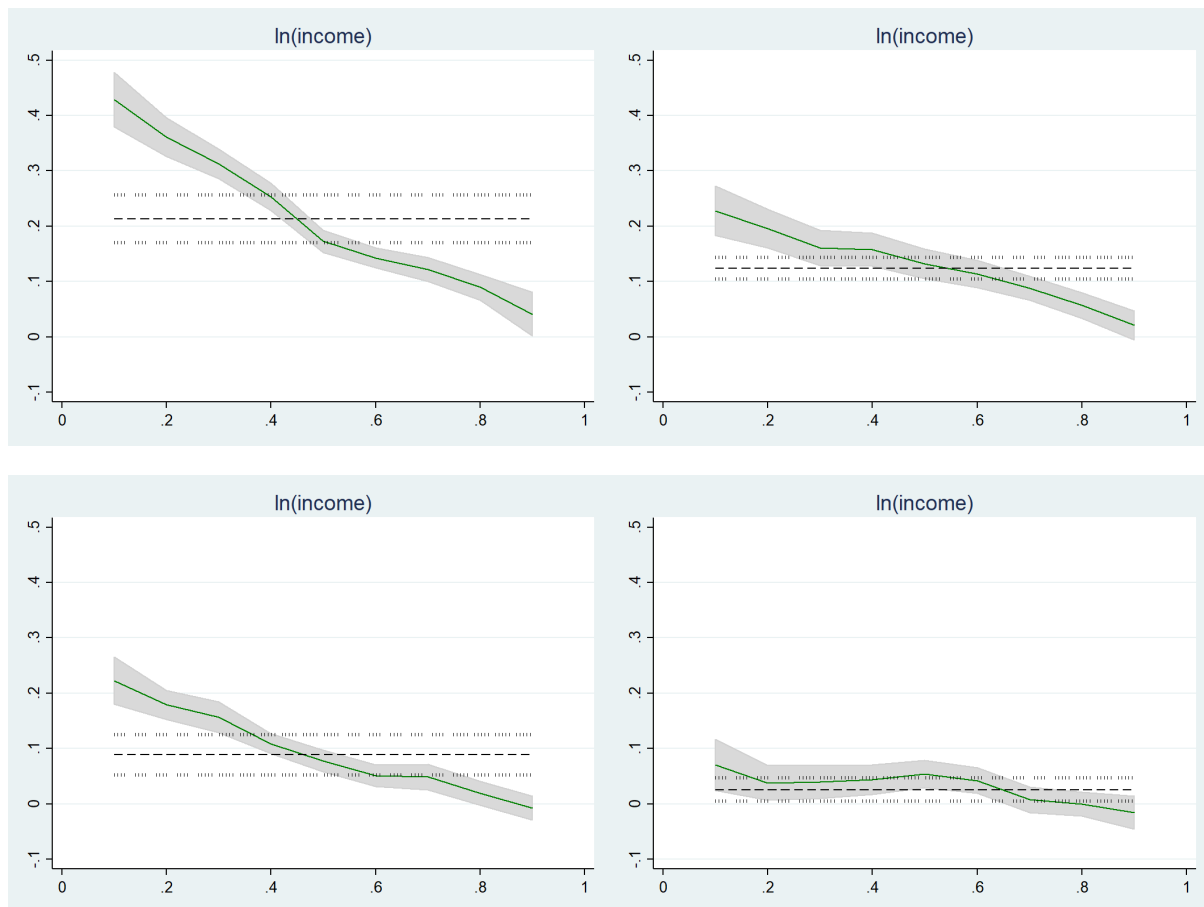
We observe the highest heterogeneity between the SWB correlates by the social channel as expressed by dummy variable *Friend* at Figure 9. Having a *Friend* increases life satisfaction at the 10th quantile by 1.43, at 50th quantile by 0.91, and at the 90th quantile only by 0.59 with the OLS mean estimate 0.92. So the impact of the social channel on SWB decreased from the 10th quantile to the 90th quantile to one third. Even having in mind that the quantile estimates are upper bounds of the estimated effect, we can conclude that friendship has a significant positive impact on SWB that differs in magnitude across individuals.

Figure 10 presents the estimated income effects on SWB estimated over the whole distribution of SWB. In the first row coefficients coming from the basic model without the variables measuring basic needs satisfaction are plotted. These graphs reveal a consistent decreasing relationship between the conditional SWB distribution quantile and the estimated income effect. While for lower quantiles the income effect on life satisfaction exceeds 0.4, it drops almost to zero for the highest quantiles. A similar, though much flatter relationship is observed for the happiness index.

The second row plots coefficients that come from the model including a full set of variables measuring basic needs satisfaction. Inclusion of these variables flattens the relationship between the estimated income effect and quantile of the conditional SWB distribution. These results confirm that basic needs satisfaction is a significant, but not all explaining part of the income–life satisfaction relationship at each quantile of the distribution. A somehow different picture is obtained for the happiness index. In the bottom right panel of Figure 10 we observe that the estimated income effect on SWB as captured by the happiness index is stable over the conditional SWB distribution and approximately equal to the effect estimated by OLS up to the 60th percentile. Above the 60th percentile the income effect drops to zero. This suggests that (1) there exists a subjective well-being (rather than income) threshold above which

income does not increase SWB and (2) after controlling for basic needs satisfaction income has a stable but tiny effect on SWB.

Figure 10: The income effect on subjective well-being – quantile regression results



Note: Top row - coefficients form basic models, Bottom row - coefficients from full models; Left column - Life satisfaction, Right column - Happiness index; X-axis – quantiles, Y-axis – coefficient size; dashed lines refer to mean effect; 90 % confidence intervals reported.

6 Conclusion

Subjective well-being (SWB) became an attractive welfare measure, supplementary to the traditional economic indicators. Over the last decade several governments started to officially monitor the well-being of their citizens (for example, Australia, Canada or Bhutan). As governments might want to maximize their citizens' well-being, in this paper we ask which socioeconomic factors are associated with reporting higher levels of SWB. Most of the attention is devoted to the financial situation of the household captured not only by personal income but also by several measures of abilities to pay for basic household needs. Inclusion of these measures in the analysis allows us to disentangle the income effect connected with the ability to cover necessary expenses from the income effect connected with the ability to afford extra or unnecessary consumption. Previous studies dealing with the income – SWB relationship (for example, Easterlin (2016); Clark (2011); Kahneman & Deaton (2010); Blanchflower & Oswald (2008); Kahneman *et al.* (2006)) usually do not include such measures. Only Yuan & Golpelwar (2013) find a strong positive impact of financial status (measured through financial balance) on SWB. We also study the role of age and social connections for individual subjective well-being.

Using the basic OLS and ordered probit models we confirm most of the results from the previous literature: positive effect of marriage, negative effect of divorce or positive income effect in cross-sectional data. The value added of our paper lies in a deeper and more complex analysis of SWB correlates. For example, we show that employees between 48 and 58 years are the least satisfied with their lives and meanwhile the most sensitive to income changes. Most importantly, we show that the majority of the income – SWB relationship can be explained by basic needs satisfaction. This suggests that with increasing income employees are more satisfied with their lives because they can more easily make ends meet. Once the basic needs are satisfied, the remaining income – SWB relationship is weak and non-linear. The basic needs satisfaction accounts for approximately 19% of the SWB variance, while the net income effect accounts for about 14 % of the LS variance and for about 4 % of the HI variance. For comparison, the basic needs satisfaction altogether has similar effect as would have an income increase by 21 % in case of LS and an income increase by 72% in case of HI on average.

In response to the Bond & Lang (2019) critique on the use of mean-based models with ordered dependent variables such as the self-reported life satisfaction (LS), we apply the quantile regression approach and introduce an alternative SWB measure of a count nature – the happiness index (HI). In the OLS analysis both LS and HI provide qualitatively similar results for all SWB determinants except gender. However, we show that the observed income effect is much weaker for the HI than for LS, especially when controlling for the basic needs satisfaction. Actually, the income effect for the HI almost disappears when the variables capturing basic needs satisfaction are included. This finding supports and extends the result by Kahneman & Deaton (2010) who show that money does not improve *hedonic* well-being. We additionally show that money is correlated with both the *hedonic* well-being (as captured by HI) and with *eudaimonic* well-being (as captured by LS) as long as it assures more complete satisfaction of basic needs. The *hedonic* well-being – income relationship disappears once basic needs are satisfied.

The quantile regression analysis confirms that the estimates of LS obtained using the OLS model can be interpreted as effects on the median. Moreover, the quantile regression results show that the correlates of SWB are not stable over the whole distribution with most of the coefficients being the

largest in their absolute value at low quantiles. The quantile regression results further confirm that the relationship between income and HI is much weaker than between income and LS for all quantiles and after controlling for the basic household needs satisfaction it practically disappears for HI, but not for LS (although it becomes weaker also for LS). While the estimated income effect on SWB is not stable across population quantiles and evolves with age for both LS and HI, once the variables capturing basic needs satisfaction are included in the model, the income – HI relationship remains practically constant over the whole distribution. Finally, we also find a positive effect of good social relationships that is stable over age, SWB level, and income.

To sum up, our results suggest that both *hedonic* and *eudaimonic* well-being are strongly associated with the ability to satisfy basic needs and with having a social support from a friend or a social group. On the other hand, our results suggest that income only correlates to some extent with *eudaimonic* well-being as captured by life satisfaction.

It follows that politicians who aim at maximizing their citizens' well-being should support policies assuring basic needs satisfaction of all inhabitants, i.e. poverty-fighting and inequality reducing policies, and cultivating the society towards high moral, supportive standards.

Additionally, our results re-build some confidence in previous well-being research using OLS and ordered models. By explicitly showing that mean-based and median-based point estimates are equivalent we support the voice of Chen *et al.* (2019) that much of the previous well-being literature results can be re-interpreted as median results.

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Table 11: List of EU-SILC 2013 countries & included observations

Country	Obs	Weight	Percent
Austria	4, 168	2876595.44	2.09%
Belgique	4, 082	3275243.72	2.38%
Bulgaria	3, 386	2202868.17	1.60%
Switzerland	6, 255	3560734.94	2.59%
Cyprus	4, 251	299497.59	0.22%
Czech Republic	4, 520	2481847.00	1.80%
Germany	9, 201	28656416.70	20.82%
Denmark	2, 586	1165061.74	0.85%
Estonia	4, 473	445213.78	0.32%
Greece	3, 137	2189587.36	1.59%
Spain	7, 900	12583634.30	9.14%
Finland	4, 337	1027800.63	0.75%
France	6, 448	16169653.20	11.75%
Croatia	1, 613	570849.26	0.41%
Hungary	6, 845	2526029.00	1.83%
Ireland	2, 123	822739.31	0.60%
Iceland	1, 530	61332.54	0.04%
Italy	7, 726	11048654.50	8.03%
Lithuania	3, 363	929966.91	0.68%
Luxembourg	2, 787	147645.61	0.11%
Latvia	4, 176	612079.49	0.44%
Malta	2, 429	92113.05	0.07%
Netherlands	4, 909	3146205.62	2.29%
Norway	3, 500	1345752.85	0.98%
Poland	7, 640	8756604.34	6.36%
Portugal	3, 580	2492625.87	1.81%
Romania	4, 721	6419644.89	4.66%
Serbia	2, 962	1131071.95	0.82%
Sweden	2, 953	2204482.52	1.60%
Slovenia	2, 755	267613.26	0.19%
Slovakia	5, 646	1824872.25	1.33%
United Kingdom	5, 741	16328908.00	11.86%
Total	142, 112	137, 663, 346	100%

Table 12: Impact of social channel on subjective well-being - OLS

OLS	LS	LS-friend	LS-trust	LS-help	HI	HI-friend	HI-trust	HI-help
ln(income)	0.223*** (0.027)	0.213*** (0.026)	0.195*** (0.024)	0.208*** (0.024)	0.135*** (0.013)	0.124*** (0.012)	0.112*** (0.011)	0.121*** (0.011)
Friend (d)		1.067*** (0.125)				1.173*** (0.075)		
Trust others (0-10)			0.202*** (0.015)				0.172*** (0.010)	

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OLS	LS	LS-friend	LS-trust	LS-help	HI	HI-friend	HI-trust	HI-help
Help avail (d).				1.053*** (0.123)				1.205*** (0.121)
Hours worked	-0.008*** (0.002)	-0.007*** (0.002)	-0.006*** (0.001)	-0.007*** (0.002)	-0.008*** (0.001)	-0.007*** (0.001)	-0.006*** (0.001)	-0.007*** (0.001)
Manager (d)	0.164*** (0.026)	0.152*** (0.022)	0.149*** (0.023)	0.151*** (0.024)	0.053** (0.026)	0.042* (0.022)	0.043* (0.025)	0.043* (0.025)
Elementary work (d)	-0.185*** (0.034)	-0.162*** (0.033)	-0.142*** (0.034)	-0.166*** (0.033)	-0.191*** (0.025)	-0.167*** (0.021)	-0.155*** (0.019)	-0.171*** (0.025)
Temporary job (d)	-0.200*** (0.022)	-0.184*** (0.025)	-0.201*** (0.021)	-0.195*** (0.023)	-0.128*** (0.023)	-0.113*** (0.025)	-0.128*** (0.022)	-0.122*** (0.020)
Age	-0.113*** (0.004)	-0.107*** (0.004)	-0.104*** (0.005)	-0.108*** (0.004)	-0.076*** (0.005)	-0.069*** (0.005)	-0.068*** (0.006)	-0.070*** (0.006)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	0.102*** (0.031)	0.074** (0.035)	0.081*** (0.027)	0.090*** (0.030)	-0.340*** (0.049)	-0.369*** (0.050)	-0.352*** (0.046)	-0.351*** (0.047)
Has a child (d)	-0.062** (0.023)	-0.060*** (0.022)	-0.044* (0.022)	-0.052*** (0.019)	-0.121*** (0.018)	-0.120*** (0.018)	-0.104*** (0.017)	-0.112*** (0.018)
Female x child (d)	-0.010 (0.054)	-0.002 (0.053)	-0.013 (0.050)	-0.013 (0.050)	0.017 (0.042)	0.028 (0.039)	0.010 (0.037)	0.016 (0.041)
Married (d)	0.462*** (0.019)	0.426*** (0.017)	0.442*** (0.017)	0.454*** (0.019)	0.203*** (0.020)	0.168*** (0.021)	0.185*** (0.018)	0.198*** (0.019)
Widow (d)	-0.250*** (0.042)	-0.224*** (0.038)	-0.208*** (0.033)	-0.256*** (0.040)	-0.249*** (0.033)	-0.219*** (0.031)	-0.215*** (0.035)	-0.259*** (0.035)
Primary education (d)	-0.212** (0.085)	-0.179** (0.082)	-0.158* (0.081)	-0.153* (0.088)	-0.191** (0.093)	-0.154* (0.090)	-0.142 (0.091)	-0.133 (0.089)
Tertiary education (d)	0.217*** (0.024)	0.206*** (0.024)	0.132*** (0.023)	0.202*** (0.023)	0.122*** (0.019)	0.111*** (0.018)	0.049*** (0.017)	0.104*** (0.017)
Health limit (d)	-0.622*** (0.063)	-0.599*** (0.058)	-0.555*** (0.056)	-0.597*** (0.061)	-0.831*** (0.046)	-0.805*** (0.044)	-0.771*** (0.044)	-0.792*** (0.042)
Owner of dwelling (d)	0.261*** (0.035)	0.252*** (0.033)	0.230*** (0.038)	0.244*** (0.032)	0.100*** (0.027)	0.087*** (0.025)	0.073*** (0.026)	0.077*** (0.024)
Bad living conditions (d)	-0.286*** (0.032)	-0.274*** (0.028)	-0.240*** (0.028)	-0.268*** (0.027)	-0.297*** (0.015)	-0.283*** (0.015)	-0.258*** (0.016)	-0.276*** (0.016)
Crime in neighborhood (d)	-0.225*** (0.024)	-0.214*** (0.027)	-0.160*** (0.022)	-0.213*** (0.027)	-0.233*** (0.023)	-0.224*** (0.024)	-0.177*** (0.023)	-0.223*** (0.024)
Constant	8.357*** (0.186)	7.290*** (0.256)	7.184*** (0.288)	7.331*** (0.210)	8.346*** (0.180)	7.173*** (0.201)	7.348*** (0.219)	7.150*** (0.231)
Country FE	yes	yes	yes	yes	yes	yes	yes	yes
Observations	139,938	139,876	138,209	138,787	136,753	136,715	135,284	135,784
R^2	0.151	0.170	0.206	0.166	0.129	0.152	0.169	0.148
Adjusted R^2	0.151	0.170	0.205	0.165	0.129	0.152	0.169	0.147

Notes: Based on EU-SILC 2013 data. Sample consists of employees answering the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 13: Impact of social channel on happiness - Ordered probit

Oprobit	LS	LS-friend	LS-trust	LS-help	HI	HI-friend	HI-trust	HI-help
ln(income)	0.133*** (0.014)	0.128*** (0.014)	0.120*** (0.013)	0.127*** (0.013)	0.077*** (0.009)	0.072*** (0.009)	0.065*** (0.008)	0.070*** (0.008)
Friend (d)		0.601*** (0.073)				0.660*** (0.045)		
Trust others (0-10)			0.126*** (0.009)				0.104*** (0.008)	
Help avail (d).				0.578*** (0.060)				0.665*** (0.068)
Hours worked	-0.005*** (0.001)	-0.005*** (0.001)	-0.004*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)
Manager (d)	0.106*** (0.015)	0.101*** (0.013)	0.101*** (0.014)	0.100*** (0.014)	0.031* (0.017)	0.025* (0.015)	0.026 (0.017)	0.025 (0.016)
Elementary work (d)	-0.100*** (0.017)	-0.089*** (0.017)	-0.079*** (0.019)	-0.091*** (0.017)	-0.104*** (0.014)	-0.092*** (0.012)	-0.084*** (0.011)	-0.094*** (0.014)
Temporary job (d)	-0.118*** (0.016)	-0.110*** (0.017)	-0.123*** (0.015)	-0.115*** (0.016)	-0.075*** (0.012)	-0.067*** (0.012)	-0.077*** (0.012)	-0.070*** (0.011)
Age	-0.072*** (0.003)	-0.069*** (0.003)	-0.069*** (0.004)	-0.070*** (0.003)	-0.046*** (0.003)	-0.043*** (0.003)	-0.043*** (0.004)	-0.044*** (0.003)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)
Female (d)	0.067*** (0.020)	0.052** (0.023)	0.057*** (0.018)	0.060*** (0.020)	-0.216*** (0.028)	-0.235*** (0.029)	-0.229*** (0.027)	-0.227*** (0.028)
Has a child (d)	-0.039*** (0.014)	-0.038*** (0.014)	-0.029** (0.014)	-0.034** (0.014)	-0.076*** (0.012)	-0.077*** (0.012)	-0.068*** (0.011)	-0.071*** (0.012)
Female x child (d)	-0.005 (0.031)	-0.001 (0.031)	-0.008 (0.029)	-0.006 (0.030)	0.016 (0.022)	0.022 (0.021)	0.012 (0.020)	0.015 (0.023)
Married (d)	0.300*** (0.008)	0.283*** (0.007)	0.298*** (0.008)	0.299*** (0.009)	0.118*** (0.012)	0.100*** (0.012)	0.110*** (0.011)	0.117*** (0.011)
Widow (d)	-0.139*** (0.025)	-0.125*** (0.023)	-0.119*** (0.024)	-0.145*** (0.024)	-0.141*** (0.019)	-0.126*** (0.020)	-0.124*** (0.020)	-0.147*** (0.021)
Primary education (d)	-0.096** (0.043)	-0.079* (0.042)	-0.067 (0.044)	-0.060 (0.046)	-0.108** (0.052)	-0.089* (0.051)	-0.080 (0.052)	-0.073 (0.052)
Tertiary education (d)	0.129*** (0.018)	0.124*** (0.018)	0.081*** (0.018)	0.123*** (0.018)	0.057*** (0.013)	0.052*** (0.013)	0.015 (0.012)	0.049*** (0.013)
Health limit (d)	-0.378*** (0.037)	-0.369*** (0.035)	-0.350*** (0.034)	-0.365*** (0.035)	-0.481*** (0.029)	-0.472*** (0.028)	-0.456*** (0.027)	-0.467*** (0.027)
Owner of dwelling (d)	0.166*** (0.020)	0.162*** (0.019)	0.152*** (0.022)	0.158*** (0.018)	0.059*** (0.017)	0.053*** (0.016)	0.045*** (0.017)	0.047*** (0.015)
Bad living conditions (d)	-0.182*** (0.021)	-0.177*** (0.020)	-0.159*** (0.020)	-0.174*** (0.019)	-0.182*** (0.010)	-0.176*** (0.010)	-0.163*** (0.010)	-0.173*** (0.010)
Crime in neighborhood (d)	-0.132*** (0.014)	-0.128*** (0.016)	-0.098*** (0.013)	-0.127*** (0.015)	-0.135*** (0.013)	-0.132*** (0.014)	-0.105*** (0.013)	-0.130*** (0.014)
Country FE	yes	yes	yes	yes	yes	yes	yes	yes
Observations	139,938	139,876	138,209	139,541	136,753	136,715	135,284	136,408
Pseudo R^2	0.041	0.046	0.057	0.045	0.026	0.030	0.035	0.030

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Oprobit	LS	LS-friend	LS-trust	LS-help	HI	HI-friend	HI-trust	HI-help
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Notes: Based on EU-SILC 2013 data. Sample consists of employees answering the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 14: Impact of social channel on happiness - Ordered logit

Ologit	LS	LS-friend	LS-trust	LS-help	HI	HI-friend	HI-trust	HI-help
ln(income)	0.247*** (0.024)	0.239*** (0.023)	0.224*** (0.021)	0.237*** (0.023)	0.143*** (0.016)	0.133*** (0.016)	0.121*** (0.015)	0.132*** (0.015)
Friend (d)		1.087*** (0.129)				1.184*** (0.084)		
Trust others (0-10)			0.232*** (0.017)				0.186*** (0.014)	
Help avail (d).				1.039*** (0.108)				1.221*** (0.140)
Hours worked	-0.009*** (0.002)	-0.009*** (0.002)	-0.008*** (0.001)	-0.009*** (0.002)	-0.008*** (0.002)	-0.008*** (0.002)	-0.007*** (0.001)	-0.008*** (0.001)
Manager (d)	0.185*** (0.025)	0.174*** (0.023)	0.176*** (0.023)	0.176*** (0.024)	0.054** (0.027)	0.043* (0.025)	0.046* (0.027)	0.044* (0.025)
Elementary work (d)	-0.184*** (0.033)	-0.162*** (0.035)	-0.149*** (0.034)	-0.167*** (0.032)	-0.202*** (0.026)	-0.181*** (0.022)	-0.168*** (0.020)	-0.184*** (0.025)
Temporary job (d)	-0.203*** (0.027)	-0.189*** (0.029)	-0.214*** (0.025)	-0.198*** (0.028)	-0.127*** (0.019)	-0.115*** (0.019)	-0.131*** (0.020)	-0.117*** (0.017)
Age	-0.126*** (0.005)	-0.121*** (0.006)	-0.121*** (0.007)	-0.122*** (0.005)	-0.080*** (0.005)	-0.075*** (0.006)	-0.076*** (0.006)	-0.077*** (0.005)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	0.118*** (0.036)	0.092** (0.039)	0.102*** (0.032)	0.105*** (0.036)	-0.382*** (0.051)	-0.415*** (0.053)	-0.403*** (0.049)	-0.400*** (0.052)
Has a child (d)	-0.070*** (0.022)	-0.069*** (0.023)	-0.052** (0.022)	-0.063*** (0.022)	-0.137*** (0.020)	-0.139*** (0.020)	-0.120*** (0.018)	-0.129*** (0.020)
Female x child (d)	-0.010 (0.048)	0.001 (0.050)	-0.011 (0.047)	-0.011 (0.048)	0.036 (0.034)	0.047 (0.033)	0.031 (0.033)	0.037 (0.037)
Married (d)	0.527*** (0.013)	0.494*** (0.012)	0.523*** (0.014)	0.524*** (0.014)	0.210*** (0.020)	0.179*** (0.022)	0.192*** (0.019)	0.208*** (0.018)
Widow (d)	-0.273*** (0.042)	-0.253*** (0.040)	-0.248*** (0.038)	-0.284*** (0.041)	-0.239*** (0.037)	-0.218*** (0.040)	-0.206*** (0.036)	-0.256*** (0.041)
Primary education (d)	-0.184** (0.081)	-0.154** (0.079)	-0.142* (0.078)	-0.115 (0.086)	-0.194* (0.100)	-0.158 (0.099)	-0.145 (0.102)	-0.131 (0.102)
Tertiary education (d)	0.233*** (0.031)	0.224*** (0.030)	0.149*** (0.029)	0.222*** (0.030)	0.096*** (0.024)	0.089*** (0.023)	0.021 (0.021)	0.080*** (0.022)
Health limit (d)	-0.664*** (0.063)	-0.647*** (0.061)	-0.610*** (0.059)	-0.642*** (0.062)	-0.831*** (0.057)	-0.811*** (0.054)	-0.784*** (0.052)	-0.807*** (0.055)
Owner of dwelling (d)	0.305*** (0.034)	0.298*** (0.032)	0.279*** (0.039)	0.292*** (0.031)	0.110*** (0.029)	0.098*** (0.027)	0.084*** (0.028)	0.089*** (0.026)
Bad living conditions (d)	-0.316*** (0.037)	-0.309*** (0.034)	-0.276*** (0.036)	-0.303*** (0.033)	-0.321*** (0.018)	-0.314*** (0.017)	-0.288*** (0.018)	-0.308*** (0.018)

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Ologit	LS	LS-friend	LS-trust	LS-help	HI	HI-friend	HI-trust	HI-help
Crime in neighborhood (d)	-0.222*** (0.025)	-0.215*** (0.027)	-0.163*** (0.022)	-0.214*** (0.027)	-0.240*** (0.023)	-0.232*** (0.025)	-0.184*** (0.026)	-0.231*** (0.027)
Country FE	yes	yes	yes	yes	yes	yes	yes	yes
Observations	139,938	139,876	138,209	139,541	136,753	136,715	135,284	136,408
Pseudo R^2	0.043	0.047	0.059	0.047	0.027	0.031	0.036	0.031

Notes: Based on EU-SILC 2013 data. Sample consists of employees answering the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 15: Impact of financial channel on happiness - OLS - LS

Life satisfaction (OLS)	Basic (1)	Meat (2)	Exp. (3)	Ends Meet (4)	Meat+EM (5)	Exp.+EM (6)	Meat+Exp. (7)	Full (8)	HI-Full (9)
ln(income)	0.213*** (0.026)	0.188*** (0.024)	0.147*** (0.023)	0.111*** (0.025)	0.103*** (0.024)	0.095*** (0.023)	0.135*** (0.022)	0.089*** (0.022)	0.026* (0.013)
Pay unexpected expenses (d)			-0.629*** (0.033)			-0.283*** (0.020)	-0.563*** (0.033)	-0.254*** (0.021)	-0.209*** (0.022)
Pay meat meal (d)		-0.758*** (0.061)			-0.425*** (0.064)		-0.558*** (0.061)	-0.374*** (0.066)	-0.257*** (0.035)
Great difficulty EM (d)				-1.499*** (0.123)	-1.392*** (0.123)	-1.308*** (0.117)		-1.235*** (0.116)	-1.060*** (0.077)
Difficulty EM (d)				-0.977*** (0.088)	-0.926*** (0.082)	-0.827*** (0.081)		-0.797*** (0.075)	-0.606*** (0.047)
Some difficulty EM (d)				-0.519*** (0.072)	-0.504*** (0.068)	-0.443*** (0.066)		-0.438*** (0.062)	-0.336*** (0.038)
Hours worked	-0.007*** (0.002)	-0.007*** (0.002)	-0.006*** (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.005*** (0.001)	-0.006*** (0.001)	-0.005*** (0.001)	-0.006*** (0.001)
Age	-0.107*** (0.004)	-0.104*** (0.004)	-0.098*** (0.005)	-0.094*** (0.004)	-0.093*** (0.004)	-0.092*** (0.004)	-0.097*** (0.005)	-0.091*** (0.004)	-0.057*** (0.005)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	0.074** (0.035)	0.078** (0.032)	0.080** (0.032)	0.058 (0.037)	0.062* (0.034)	0.062* (0.035)	0.083** (0.030)	0.065* (0.033)	-0.373*** (0.049)
Has a child (d)	-0.060*** (0.022)	-0.040* (0.020)	0.008 (0.021)	0.061** (0.027)	0.065** (0.026)	0.074*** (0.026)	0.014 (0.021)	0.075*** (0.025)	-0.011 (0.024)
Female x child (d)		-0.002 (0.053)	-0.029 (0.046)	-0.034 (0.049)	-0.043 (0.047)	-0.042 (0.046)	-0.038 (0.045)	-0.048 (0.045)	-0.008 (0.038)
Manager (d)	0.152*** (0.022)	0.145*** (0.021)	0.129*** (0.021)	0.111*** (0.020)	0.109*** (0.020)	0.107*** (0.019)	0.127*** (0.020)	0.105*** (0.019)	0.009 (0.022)
Elementary work (d)	-0.162*** (0.033)	-0.129*** (0.028)	-0.102*** (0.033)	-0.067*** (0.029)	-0.056*** (0.027)	-0.052* (0.029)	-0.085*** (0.030)	-0.044 (0.028)	-0.072*** (0.027)

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Life satisfaction (OLS)	Basic	Meat	Exp.	Ends Meet	Meat+EM	Exp.+EM	Meat+Exp.	Full	HI-Full
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Temporary job (d)	-0.184*** (0.025)	-0.180*** (0.025)	-0.164*** (0.022)	-0.148*** (0.020)	-0.149*** (0.020)	-0.145*** (0.020)	-0.163*** (0.023)	-0.146*** (0.020)	-0.079*** (0.026)
Married (d)	0.426*** (0.017)	0.408*** (0.016)	0.374*** (0.015)	0.356*** (0.016)	0.350*** (0.015)	0.342*** (0.016)	0.367*** (0.015)	0.339*** (0.015)	0.098*** (0.020)
Widow (d)	-0.224*** (0.038)	-0.226*** (0.038)	-0.221*** (0.040)	-0.243*** (0.037)	-0.244*** (0.037)	-0.239*** (0.037)	-0.223*** (0.040)	-0.240*** (0.037)	-0.236*** (0.038)
Primary education (d)	-0.179*** (0.082)	-0.142*** (0.083)	-0.121*** (0.075)	-0.077*** (0.059)	-0.060*** (0.062)	-0.064*** (0.058)	-0.098*** (0.076)	-0.050*** (0.061)	-0.048*** (0.073)
Tertiary education (d)	0.206*** (0.024)	0.187*** (0.021)	0.126*** (0.023)	0.104*** (0.025)	0.099*** (0.024)	0.082*** (0.022)	0.120*** (0.022)	0.080*** (0.022)	0.010*** (0.019)
Health limit (d)	-0.599*** (0.058)	-0.578*** (0.058)	-0.549*** (0.058)	-0.506*** (0.055)	-0.501*** (0.055)	-0.496*** (0.054)	-0.539*** (0.058)	-0.492*** (0.054)	-0.719*** (0.040)
Owner of dwelling (d)	0.252*** (0.033)	0.230*** (0.032)	0.138*** (0.033)	0.181*** (0.019)	0.172*** (0.020)	0.140*** (0.024)	0.133*** (0.032)	0.137*** (0.024)	-0.007*** (0.019)
Bad living conditions (d)	-0.274*** (0.028)	-0.253*** (0.028)	-0.230*** (0.029)	-0.199*** (0.026)	-0.192*** (0.027)	-0.190*** (0.026)	-0.218*** (0.029)	-0.184*** (0.027)	-0.208*** (0.017)
Crime in neighborhood (d)	-0.214*** (0.027)	-0.209*** (0.025)	-0.192*** (0.027)	-0.174*** (0.023)	-0.174*** (0.022)	-0.170*** (0.024)	-0.190*** (0.025)	-0.170*** (0.022)	-0.187*** (0.020)
Friend (d)	1.067*** (0.125)	1.012*** (0.121)	1.002*** (0.129)	0.955*** (0.126)	0.928*** (0.122)	0.940*** (0.125)	0.968*** (0.126)	0.919*** (0.122)	1.057*** (0.079)
Constant	7.290*** (0.256)	7.558*** (0.255)	8.047*** (0.276)	8.429*** (0.257)	8.521*** (0.256)	8.607*** (0.254)	8.164*** (0.275)	8.670*** (0.253)	8.261*** (0.215)
Observations	139,876	139,836	139,709	139,876	139,836	139,709	139,690	139,690	136,534
R ²	0.170	0.181	0.193	0.218	0.221	0.222	0.198	0.224	0.187
Adjusted R ²	0.170	0.181	0.193	0.217	0.220	0.221	0.198	0.223	0.187

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 16: Impact of financial channel on happiness - Oprobit - LS

Life satisfaction (Oprobit)	Basic (1)	Meat (2)	Exp. (3)	Ends Meet (4)	Meat+EM (5)	Exp.+EM (6)	Meat+Exp. (7)	Full (8)	HI-Full (9)
ln(income)	0.128*** (0.014)	0.116*** (0.013)	0.089*** (0.012)	0.068*** (0.013)	0.064*** (0.013)	0.058*** (0.012)	0.083*** (0.011)	0.055*** (0.012)	0.014 (0.009)
Pay unexpected expenses (d)			-0.388*** (0.020)			-0.176*** (0.014)	-0.350*** (0.021)	-0.161*** (0.015)	-0.126*** (0.015)
Pay meat meal (d)		-0.416*** (0.038)			-0.225*** (0.040)		-0.290*** (0.038)	-0.194*** (0.041)	-0.139*** (0.021)
Great diff. EM (d)				-0.875*** (0.067)	-0.821*** (0.067)	-0.759*** (0.064)		-0.723*** (0.063)	-0.612*** (0.041)
Difficulty EM (d)				-0.633*** (0.052)	-0.608*** (0.049)	-0.542*** (0.047)		-0.528*** (0.045)	-0.372*** (0.028)
Some difficulty EM (d)				-0.365*** (0.042)	-0.358*** (0.040)	-0.319*** (0.038)		-0.317*** (0.037)	-0.217*** (0.025)
Hours worked	-0.005*** (0.001)	-0.005*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)
Age	-0.069*** (0.003)	-0.068*** (0.003)	-0.065*** (0.003)	-0.064*** (0.003)	-0.064*** (0.003)	-0.063*** (0.003)	-0.065*** (0.003)	-0.063*** (0.003)	-0.038*** (0.003)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.000*** (0.000)
Female (d)	0.052** (0.023)	0.055*** (0.021)	0.057*** (0.021)	0.052*** (0.022)	0.054*** (0.021)	0.055*** (0.021)	0.065*** (0.019)	0.055*** (0.021)	-0.234*** (0.028)
Has a child (d)	-0.038*** (0.014)	-0.028*** (0.014)	0.003 (0.014)	0.041** (0.019)	0.043** (0.018)	0.048*** (0.018)	0.009 (0.014)	0.049*** (0.018)	-0.007 (0.016)
Female x child (d)	-0.001 (0.031)	-0.010 (0.029)	-0.017 (0.027)	-0.027 (0.029)	-0.031 (0.029)	-0.032 (0.028)	-0.026 (0.026)	-0.034 (0.027)	-0.005 (0.023)
Manager (d)	0.101*** (0.013)	0.097*** (0.013)	0.088*** (0.013)	0.077*** (0.014)	0.076*** (0.014)	0.074*** (0.013)	0.086*** (0.013)	0.074*** (0.013)	0.006 (0.016)
Elementary work (d)	-0.089*** (0.017)	-0.071*** (0.015)	-0.053*** (0.018)	-0.039*** (0.016)	-0.032*** (0.015)	-0.029* (0.017)	-0.046*** (0.018)	-0.024 (0.016)	-0.041*** (0.017)

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Life satisfaction (Oprobit)	Basic	Meat	Exp.	Ends Meet	Meat+EM	Exp.+EM	Meat+Exp.	Full	HI-Full
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Temporary job (d)	-0.110*** (0.017)	-0.108*** (0.016)	-0.099*** (0.014)	-0.097*** (0.012)	-0.098*** (0.013)	-0.095*** (0.012)	-0.103*** (0.014)	-0.095*** (0.012)	-0.051*** (0.013)
Married (d)	0.283*** (0.007)	0.274*** (0.007)	0.255*** (0.007)	0.263*** (0.009)	0.259*** (0.009)	0.254*** (0.009)	0.267*** (0.008)	0.253*** (0.009)	0.077*** (0.011)
Widow (d)	-0.125*** (0.023)	-0.127*** (0.023)	-0.126*** (0.025)	-0.160*** (0.024)	-0.160*** (0.024)	-0.157*** (0.023)	-0.143*** (0.025)	-0.156*** (0.024)	-0.157*** (0.024)
Primary education (d)	-0.079* (0.042)	-0.061 (0.043)	-0.045 (0.038)	-0.009 (0.035)	-0.005 (0.036)	-0.002 (0.035)	-0.023 (0.042)	0.000 (0.035)	-0.018 (0.043)
Tertiary education (d)	0.124*** (0.018)	0.114*** (0.016)	0.077*** (0.017)	0.062*** (0.019)	0.060*** (0.018)	0.049*** (0.017)	0.073*** (0.017)	0.048*** (0.017)	-0.009 (0.013)
Health limit (d)	-0.369*** (0.035)	-0.360*** (0.035)	-0.344*** (0.036)	-0.321*** (0.035)	-0.318*** (0.035)	-0.315*** (0.035)	-0.337*** (0.036)	-0.313*** (0.035)	-0.426*** (0.027)
Owner of dwelling (d)	0.162*** (0.019)	0.151*** (0.018)	0.094*** (0.019)	0.119*** (0.011)	0.114*** (0.011)	0.094*** (0.014)	0.089*** (0.018)	0.092*** (0.014)	-0.007 (0.013)
Bad living conditions (d)	-0.177*** (0.020)	-0.166*** (0.020)	-0.152*** (0.021)	-0.134*** (0.018)	-0.131*** (0.018)	-0.128*** (0.018)	-0.144*** (0.020)	-0.126*** (0.019)	-0.133*** (0.011)
Crime in neighborhood (d)	-0.128*** (0.016)	-0.126*** (0.015)	-0.116*** (0.016)	-0.107*** (0.014)	-0.107*** (0.013)	-0.104*** (0.014)	-0.115*** (0.015)	-0.104*** (0.014)	-0.112*** (0.012)
Friend (d)	0.601*** (0.073)	0.576*** (0.072)	0.571*** (0.076)						
Observations	139,876	139,836	139,709	139,541	139,502	139,374	139,356	139,356	136,228
Pseudo R^2	0.046	0.048	0.052	0.059	0.059	0.060	0.053	0.060	0.037

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 17: Impact of financial channel on happiness - Ologit - LS

Life satisfaction (Ologit)	Basic (1)	Meat (2)	Exp. (3)	Ends Meet (4)	Meat+EM (5)	Exp.+EM (6)	Meat+Exp. (7)	Full (8)	HI-Full (9)
ln(income)	0.239*** (0.023)	0.217*** (0.022)	0.169*** (0.021)	0.131*** (0.023)	0.124*** (0.022)	0.113*** (0.021)	0.158*** (0.020)	0.108*** (0.021)	0.034*** (0.015)
Pay unexpected expenses (d)			-0.699*** (0.036)			-0.326*** (0.025)	-0.632*** (0.038)	-0.298*** (0.026)	-0.216*** (0.025)
Pay meat meal (d)		-0.760*** (0.075)			-0.427*** (0.072)		-0.536*** (0.072)	-0.369*** (0.073)	-0.252*** (0.034)
Great diff. EM (d)				-1.577*** (0.136)	-1.475*** (0.134)	-1.360*** (0.131)		-1.291*** (0.129)	-1.096*** (0.081)
Difficulty EM (d)				-1.127*** (0.098)	-1.081*** (0.093)	-0.957*** (0.090)		-0.931*** (0.086)	-0.663*** (0.057)
Some difficulty EM (d)				-0.641*** (0.079)	-0.629*** (0.076)	-0.557*** (0.072)		-0.555*** (0.070)	-0.391*** (0.051)
Hours worked	-0.009*** (0.002)	-0.009*** (0.002)	-0.008*** (0.001)	-0.008*** (0.001)	-0.007*** (0.001)	-0.007*** (0.001)	-0.008*** (0.001)	-0.007*** (0.001)	-0.006*** (0.001)
Age	-0.121*** (0.006)	-0.119*** (0.006)	-0.113*** (0.007)	-0.112*** (0.005)	-0.111*** (0.006)	-0.109*** (0.006)	-0.114*** (0.007)	-0.109*** (0.006)	-0.067*** (0.005)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	0.092** (0.039)	0.098*** (0.037)	0.101*** (0.038)	0.094*** (0.039)	0.098*** (0.037)	0.098*** (0.038)	0.115*** (0.034)	0.101*** (0.037)	-0.411*** (0.051)
Has a child (d)	-0.069*** (0.023)	-0.050*** (0.021)	0.003 (0.024)	0.069** (0.032)	0.074** (0.031)	0.082*** (0.031)	0.014 (0.023)	0.084*** (0.031)	-0.016 (0.030)
Female x child (d)	0.001 (0.050)	-0.017 (0.047)	-0.028 (0.045)	-0.049 (0.048)	-0.057 (0.046)	-0.057 (0.045)	-0.047 (0.043)	-0.062 (0.044)	-0.001 (0.039)
Manager (d)	0.174*** (0.023)	0.171*** (0.022)	0.154*** (0.020)	0.140*** (0.022)	0.139*** (0.022)	0.136*** (0.021)	0.156*** (0.021)	0.136*** (0.021)	0.013 (0.026)
Elementary work (d)	-0.162*** (0.035)	-0.131*** (0.031)	-0.100*** (0.035)	-0.078*** (0.031)	-0.066*** (0.030)	-0.061*** (0.032)	-0.089*** (0.033)	-0.052*** (0.031)	-0.087*** (0.031)

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Life satisfaction (Ologit)	Basic	Meat	Exp.	Ends Meet	Meat+EM	Exp.+EM	Meat+Exp.	Full	HI-Full
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Temporary job (d)	-0.189*** (0.029)	-0.185*** (0.027)	-0.170*** (0.024)	-0.164*** (0.022)	-0.164*** (0.021)	-0.160*** (0.020)	-0.176*** (0.023)	-0.160*** (0.020)	-0.083*** (0.019)
Married (d)	0.494*** (0.012)	0.478*** (0.012)	0.443*** (0.010)	0.461*** (0.014)	0.454*** (0.013)	0.444*** (0.014)	0.464*** (0.013)	0.440*** (0.013)	0.135*** (0.019)
Widow (d)	-0.253*** (0.040)	-0.256*** (0.041)	-0.252*** (0.041)	-0.308*** (0.044)	-0.308*** (0.045)	-0.300*** (0.042)	-0.278*** (0.042)	-0.300*** (0.043)	-0.272*** (0.048)
Primary education (d)	-0.154** (0.079)	-0.126 (0.079)	-0.093 (0.069)	-0.016 (0.067)	-0.012 (0.067)	-0.004 (0.065)	-0.050 (0.075)	-0.002 (0.066)	-0.037 (0.086)
Tertiary education (d)	0.224*** (0.030)	0.207*** (0.028)	0.142*** (0.030)	0.115*** (0.034)	0.110*** (0.033)	0.092*** (0.031)	0.136*** (0.029)	0.089*** (0.030)	-0.023 (0.022)
Health limit (d)	-0.647*** (0.061)	-0.632*** (0.060)	-0.605*** (0.062)	-0.565*** (0.061)	-0.560*** (0.060)	-0.555*** (0.061)	-0.593*** (0.062)	-0.551*** (0.060)	-0.739*** (0.053)
Owner of dwelling (d)	0.298*** (0.032)	0.278*** (0.032)	0.178*** (0.033)	0.224*** (0.020)	0.216*** (0.020)	0.179*** (0.024)	0.172*** (0.031)	0.176*** (0.025)	-0.001 (0.022)
Bad living conditions (d)	-0.309*** (0.034)	-0.292*** (0.035)	-0.267*** (0.035)	-0.238*** (0.031)	-0.232*** (0.032)	-0.228*** (0.032)	-0.254*** (0.034)	-0.223*** (0.032)	-0.242*** (0.020)
Crime in neighborhood (d)	-0.215*** (0.027)	-0.209*** (0.026)	-0.195*** (0.026)	-0.186*** (0.024)	-0.184*** (0.023)	-0.182*** (0.024)	-0.193*** (0.025)	-0.180*** (0.023)	-0.197*** (0.025)
Friend (d)	1.087*** (0.129)	1.040*** (0.128)	1.027*** (0.138)						
Observations	139,876	139,836	139,709	139,541	139,502	139,374	139,356	139,356	136,228
Pseudo R^2	0.047	0.050	0.054	0.061	0.061	0.062	0.055	0.062	0.038

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 18: Impact of financial channel on happiness - OLS - HI

Happiness Index (OLS)	Basic (1)	Meat (2)	Exp. (3)	Ends Meet (4)	Meat+EM (5)	Exp.+EM (6)	Meat+Exp. (7)	Full (8)	LS-Full (9)
ln(income)	0.124*** (0.012)	0.106*** (0.012)	0.071*** (0.011)	0.042*** (0.015)	0.037*** (0.014)	0.030*** (0.013)	0.063*** (0.011)	0.026*** (0.013)	0.089*** (0.022)
Pay unexpected expenses (d)			-0.506*** (0.027)			-0.228*** (0.021)	-0.458*** (0.028)	-0.209*** (0.022)	-0.254*** (0.021)
Pay meat meal (d)		-0.576*** (0.046)			-0.298*** (0.031)		-0.415*** (0.047)	-0.257*** (0.035)	-0.374*** (0.066)
Great difficulty EM (d)				-1.262*** (0.076)	-1.190*** (0.073)	-1.109*** (0.082)		-1.060*** (0.077)	-1.235*** (0.116)
Difficulty EM (d)				-0.745*** (0.048)	-0.712*** (0.045)	-0.625*** (0.051)		-0.606*** (0.047)	-0.797*** (0.075)
Some difficulty EM (d)				-0.402*** (0.044)	-0.393*** (0.042)	-0.339*** (0.040)		-0.336*** (0.038)	-0.438*** (0.062)
Hours worked	-0.007*** (0.001)	-0.007*** (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.005*** (0.001)
Age	-0.069*** (0.005)	-0.068*** (0.005)	-0.062*** (0.006)	-0.059*** (0.005)	-0.059*** (0.005)	-0.057*** (0.005)	-0.062*** (0.006)	-0.057*** (0.005)	-0.091*** (0.004)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	-0.369*** (0.050)	-0.365*** (0.048)	-0.361*** (0.049)	-0.381*** (0.050)	-0.378*** (0.049)	-0.375*** (0.050)	-0.359*** (0.047)	-0.373*** (0.049)	0.065* (0.033)
Has a child (d)	-0.120*** (0.018)	-0.106*** (0.019)	-0.065*** (0.018)	-0.023*** (0.025)	-0.020*** (0.025)	-0.012*** (0.024)	-0.060*** (0.019)	-0.011*** (0.024)	0.075*** (0.025)
Female x child (d)	0.028 (0.039)	0.016 (0.039)	0.006 (0.035)	0.002 (0.039)	-0.003 (0.039)	-0.004 (0.037)	-0.001 (0.036)	-0.008 (0.038)	-0.048 (0.045)
Manager (d)	0.042* (0.022)	0.037 (0.022)	0.027 (0.022)	0.010 (0.021)	0.010 (0.021)	0.010 (0.022)	0.025 (0.022)	0.009 (0.022)	0.105*** (0.019)
Elementary work (d)	-0.167*** (0.021)	-0.143*** (0.021)	-0.118*** (0.024)	-0.090*** (0.026)	-0.082*** (0.026)	-0.077*** (0.027)	-0.106*** (0.024)	-0.072*** (0.027)	-0.044 (0.028)

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Happiness Index (OLS)	Basic	Meat	Exp.	Ends Meet	Meat+EM	Exp.+EM	Meat+Exp.	Full	LS-Full
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Temporary job (d)	-0.113*** (0.025)	-0.109*** (0.024)	-0.096*** (0.027)	-0.082*** (0.024)	-0.082*** (0.024)	-0.078*** (0.026)	-0.095*** (0.026)	-0.079*** (0.026)	-0.146*** (0.020)
Married (d)	0.168*** (0.021)	0.155*** (0.021)	0.126*** (0.020)	0.112*** (0.020)	0.108*** (0.021)	0.100*** (0.020)	0.121*** (0.020)	0.098*** (0.020)	0.339*** (0.015)
Widow (d)	-0.219*** (0.031)	-0.222*** (0.032)	-0.220*** (0.032)	-0.238*** (0.038)	-0.239*** (0.038)	-0.236*** (0.037)	-0.222*** (0.032)	-0.236*** (0.038)	-0.240*** (0.037)
Primary education (d)	-0.154* (0.090)	-0.129 (0.090)	-0.107 (0.085)	-0.066 (0.071)	-0.057 (0.073)	-0.055 (0.071)	-0.092 (0.085)	-0.048 (0.073)	-0.050 (0.061)
Tertiary education (d)	0.111*** (0.018)	0.097*** (0.017)	0.046** (0.019)	0.030 (0.021)	0.026 (0.021)	0.012 (0.019)	0.042** (0.018)	0.010 (0.019)	0.080*** (0.022)
Health limit (d)	-0.805*** (0.044)	-0.789*** (0.044)	-0.765*** (0.043)	-0.729*** (0.040)	-0.725*** (0.040)	-0.722*** (0.040)	-0.758*** (0.043)	-0.719*** (0.040)	-0.492*** (0.054)
Owner of dwelling (d)	0.087*** (0.025)	0.070*** (0.023)	-0.007 (0.023)	0.030* (0.016)	0.023 (0.016)	-0.005 (0.019)	-0.010 (0.023)	-0.007 (0.019)	0.137*** (0.024)
Bad living conditions (d)	-0.283*** (0.015)	-0.266*** (0.016)	-0.245*** (0.014)	-0.222*** (0.018)	-0.216*** (0.018)	-0.212*** (0.016)	-0.236*** (0.014)	-0.208*** (0.017)	-0.184*** (0.027)
Crime in neighborhood (d)	-0.224*** (0.024)	-0.220*** (0.024)	-0.206*** (0.024)	-0.191*** (0.020)	-0.190*** (0.020)	-0.187*** (0.021)	-0.205*** (0.023)	-0.187*** (0.020)	-0.170*** (0.022)
Friend (d)	1.173*** (0.075)	1.135*** (0.077)	1.120*** (0.076)	1.080*** (0.078)	1.065*** (0.079)	1.070*** (0.077)	1.098*** (0.078)	1.057*** (0.079)	0.919*** (0.122)
Constant	7.173*** (0.201)	7.374*** (0.207)	7.778*** (0.210)	8.076*** (0.220)	8.141*** (0.223)	8.217*** (0.211)	7.865*** (0.215)	8.261*** (0.215)	8.670*** (0.253)
Observations	136,715	136,677	136,553	136,715	136,677	136,553	136,534	136,534	139,690
R ²	0.152	0.158	0.167	0.184	0.185	0.186	0.170	0.187	0.224
Adjusted R ²	0.152	0.158	0.166	0.183	0.185	0.186	0.169	0.187	0.223

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 19: Impact of financial channel on happiness - Oprobit - HI

Happiness Index (Oprobit)	Basic (1)	Meat (2)	Exp. (3)	Ends Meet (4)	Meat+EM (5)	Exp.+EM (6)	Meat+Exp. (7)	Full (8)	LS-Full (9)
ln(income)	0.072*** (0.009)	0.061*** (0.008)	0.040*** (0.008)	0.024*** (0.009)	0.021*** (0.009)	0.016* (0.009)	0.036*** (0.008)	0.014 (0.009)	0.055*** (0.012)
Pay unexpected expenses (d)			-0.296*** (0.013)			-0.136*** (0.014)	-0.271*** (0.014)	-0.126*** (0.015)	-0.161*** (0.015)
Pay meat meal (d)		-0.317*** (0.024)			-0.163*** (0.019)		-0.225*** (0.026)	-0.139*** (0.021)	-0.194*** (0.041)
Great diff. EM (d)				-0.728*** (0.039)	-0.689*** (0.037)	-0.638*** (0.044)		-0.612*** (0.041)	-0.723*** (0.063)
Difficulty EM (d)				-0.452*** (0.027)	-0.435*** (0.026)	-0.382*** (0.029)		-0.372*** (0.028)	-0.528*** (0.045)
Some difficulty EM (d)				-0.255*** (0.028)	-0.250*** (0.027)	-0.218*** (0.026)		-0.217*** (0.025)	-0.317*** (0.037)
Hours worked	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)
Age	-0.043*** (0.003)	-0.044*** (0.003)	-0.040*** (0.003)	-0.039*** (0.003)	-0.039*** (0.003)	-0.038*** (0.003)	-0.040*** (0.003)	-0.038*** (0.003)	-0.063*** (0.003)
Age squared	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.001*** (0.000)
Female (d)	-0.235*** (0.029)	-0.226*** (0.027)	-0.224*** (0.027)	-0.237*** (0.029)	-0.236*** (0.029)	-0.235*** (0.029)	-0.224*** (0.027)	-0.234*** (0.028)	0.055*** (0.021)
Has a child (d)	-0.077*** (0.012)	-0.064*** (0.013)	-0.040*** (0.012)	-0.015 (0.017)	-0.013 (0.017)	-0.008 (0.016)	-0.037*** (0.013)	-0.007 (0.016)	0.049*** (0.018)
Female x child (d)	0.022 (0.021)	0.009 (0.023)	0.003 (0.021)	0.000 (0.023)	-0.003 (0.023)	-0.003 (0.022)	-0.000 (0.021)	-0.005 (0.023)	-0.034 (0.027)
Manager (d)	0.025* (0.015)	0.022 (0.016)	0.017 (0.016)	0.007 (0.015)	0.006 (0.015)	0.006 (0.016)	0.016 (0.016)	0.006 (0.016)	0.074*** (0.013)
Elementary work (d)	-0.092*** (0.012)	-0.081*** (0.015)	-0.067*** (0.017)	-0.051*** (0.016)	-0.047*** (0.017)	-0.044*** (0.017)	-0.060*** (0.017)	-0.041*** (0.017)	-0.024 (0.016)

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Happiness Index (Oprobit)	Basic	Meat	Exp.	Ends Meet	Meat+EM	Exp.+EM	Meat+Exp.	Full	LS-Full
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Temporary job (d)	-0.067*** (0.012)	-0.068*** (0.011)	-0.060*** (0.013)	-0.054*** (0.012)	-0.054*** (0.012)	-0.051*** (0.013)	-0.060*** (0.012)	-0.051*** (0.013)	-0.095*** (0.012)
Married (d)	0.100*** (0.012)	0.110*** (0.011)	0.093*** (0.011)	0.085*** (0.011)	0.083*** (0.011)	0.078*** (0.011)	0.090*** (0.011)	0.077*** (0.011)	0.253*** (0.009)
Widow (d)	-0.126*** (0.020)	-0.148*** (0.021)	-0.147*** (0.021)	-0.160*** (0.025)	-0.159*** (0.025)	-0.157*** (0.024)	-0.147*** (0.021)	-0.157*** (0.024)	-0.156*** (0.024)
Primary education (d)	-0.089* (0.051)	-0.062 (0.051)	-0.047 (0.049)	-0.026 (0.043)	-0.024 (0.043)	-0.020 (0.042)	-0.042 (0.049)	-0.018 (0.043)	0.000 (0.035)
Tertiary education (d)	0.052*** (0.013)	0.042*** (0.012)	0.012 (0.013)	0.002 (0.014)	0.000 (0.013)	-0.009 (0.013)	0.010 (0.013)	-0.009 (0.013)	0.048*** (0.017)
Health limit (d)	-0.472*** (0.028)	-0.460*** (0.028)	-0.448*** (0.028)	-0.432*** (0.027)	-0.430*** (0.027)	-0.428*** (0.027)	-0.444*** (0.028)	-0.426*** (0.027)	-0.313*** (0.035)
Owner of dwelling (d)	0.053*** (0.016)	0.039*** (0.015)	-0.007 (0.015)	0.015 (0.011)	0.012 (0.012)	-0.006 (0.013)	-0.008 (0.015)	-0.007 (0.013)	0.092*** (0.014)
Bad living conditions (d)	-0.176*** (0.010)	-0.164*** (0.011)	-0.152*** (0.010)	-0.140*** (0.012)	-0.137*** (0.012)	-0.135*** (0.011)	-0.148*** (0.010)	-0.133*** (0.011)	-0.126*** (0.019)
Crime in neighborhood (d)	-0.132*** (0.014)	-0.128*** (0.014)	-0.121*** (0.014)	-0.114*** (0.012)	-0.113*** (0.012)	-0.112*** (0.013)	-0.121*** (0.014)	-0.112*** (0.012)	-0.104*** (0.014)
Friend (d)	0.660*** (0.045)								
Observations	136,715	136,371	136,246	136,408	136,371	136,246	136,228	136,228	139,356
Pseudo R^2	0.030	0.031	0.033	0.036	0.037	0.037	0.033	0.037	0.060

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 20: Impact of financial channel on happiness - Ologit - HI

Happiness Index (Ologit)	Basic (1)	Meat (2)	Exp. (3)	Ends Meet (4)	Meat+EM (5)	Exp.+EM (6)	Meat+Exp. (7)	Full (8)	LS-Full (9)
ln(income)	0.133*** (0.016)	0.116*** (0.014)	0.080*** (0.014)	0.050*** (0.017)	0.045*** (0.016)	0.037*** (0.015)	0.072*** (0.013)	0.034*** (0.015)	0.108*** (0.021)
Pay unexpected expenses (d)			-0.515*** (0.021)			-0.235*** (0.024)	-0.470*** (0.022)	-0.216*** (0.025)	-0.298*** (0.026)
Pay meat meal (d)		-0.562*** (0.040)			-0.295*** (0.031)		-0.400*** (0.042)	-0.252*** (0.034)	-0.369*** (0.073)
Great diff. EM (d)				-1.299*** (0.076)	-1.229*** (0.073)	-1.143*** (0.084)		-1.096*** (0.081)	-1.291*** (0.129)
Difficulty EM (d)				-0.803*** (0.055)	-0.771*** (0.053)	-0.681*** (0.059)		-0.663*** (0.057)	-0.931*** (0.086)
Some difficulty EM (d)				-0.458*** (0.056)	-0.449*** (0.054)	-0.394*** (0.052)		-0.391*** (0.051)	-0.555*** (0.070)
Hours worked	-0.008*** (0.002)	-0.008*** (0.001)	-0.007*** (0.001)	-0.007*** (0.001)	-0.007*** (0.001)	-0.006*** (0.001)	-0.007*** (0.001)	-0.006*** (0.001)	-0.007*** (0.001)
Age	-0.075*** (0.006)	-0.076*** (0.005)	-0.071*** (0.006)	-0.068*** (0.005)	-0.068*** (0.005)	-0.067*** (0.005)	-0.071*** (0.006)	-0.067*** (0.005)	-0.109*** (0.006)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	-0.415*** (0.053)	-0.398*** (0.050)	-0.396*** (0.051)	-0.417*** (0.053)	-0.415*** (0.052)	-0.412*** (0.052)	-0.395*** (0.050)	-0.411*** (0.051)	0.101*** (0.037)
Has a child (d)	-0.139*** (0.020)	-0.115*** (0.022)	-0.074*** (0.022)	-0.028*** (0.030)	-0.026*** (0.031)	-0.017*** (0.029)	-0.070*** (0.023)	-0.016*** (0.030)	0.084*** (0.031)
Female x child (d)	0.047 (0.033)	0.025 (0.038)	0.017 (0.034)	0.007 (0.039)	0.002 (0.040)	0.003 (0.038)	0.010 (0.036)	-0.001 (0.039)	-0.062 (0.044)
Manager (d)	0.043* (0.025)	0.040 (0.025)	0.030 (0.026)	0.014 (0.026)	0.013 (0.025)	0.014 (0.026)	0.028 (0.025)	0.013 (0.026)	0.136*** (0.021)
Elementary work (d)	-0.181*** (0.022)	-0.158*** (0.025)	-0.136*** (0.029)	-0.105*** (0.030)	-0.096*** (0.030)	-0.094*** (0.031)	-0.122*** (0.029)	-0.087*** (0.031)	-0.052* (0.031)

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Happiness Index (Ologit)	Basic	Meat	Exp.	Ends Meet	Meat+EM	Exp.+EM	Meat+Exp.	Full	LS-Full
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Temporary job (d)	-0.115*** (0.019)	-0.114*** (0.016)	-0.099*** (0.019)	-0.087*** (0.018)	-0.087*** (0.018)	-0.082*** (0.019)	-0.099*** (0.018)	-0.083*** (0.019)	-0.160*** (0.020)
Married (d)	0.179*** (0.022)	0.195*** (0.019)	0.166*** (0.018)	0.149*** (0.020)	0.145*** (0.020)	0.137*** (0.019)	0.161*** (0.018)	0.135*** (0.019)	0.440*** (0.013)
Widow (d)	-0.218*** (0.040)	-0.253*** (0.041)	-0.257*** (0.041)	-0.277*** (0.049)	-0.275*** (0.049)	-0.274*** (0.048)	-0.254*** (0.041)	-0.272*** (0.048)	-0.300*** (0.043)
Primary education (d)	-0.158 (0.099)	-0.111 (0.102)	-0.091 (0.096)	-0.051 (0.086)	-0.045 (0.087)	-0.042 (0.085)	-0.080 (0.096)	-0.037 (0.086)	-0.002 (0.066)
Tertiary education (d)	0.089*** (0.023)	0.067*** (0.021)	0.015 (0.022)	-0.002 (0.025)	-0.006 (0.024)	-0.021 (0.022)	0.011 (0.021)	-0.023 (0.022)	0.089*** (0.030)
Health limit (d)	-0.811*** (0.054)	-0.796*** (0.054)	-0.775*** (0.055)	-0.748*** (0.054)	-0.745*** (0.053)	-0.741*** (0.053)	-0.770*** (0.054)	-0.739*** (0.053)	-0.551*** (0.060)
Owner of dwelling (d)	0.098*** (0.027)	0.075*** (0.026)	-0.002 (0.026)	0.037* (0.019)	0.031 (0.020)	0.001 (0.022)	-0.005 (0.026)	-0.001 (0.022)	0.176*** (0.025)
Bad living conditions (d)	-0.314*** (0.017)	-0.294*** (0.019)	-0.275*** (0.018)	-0.254*** (0.021)	-0.249*** (0.021)	-0.246*** (0.020)	-0.267*** (0.018)	-0.242*** (0.020)	-0.223*** (0.032)
Crime in neighborhood (d)	-0.232*** (0.025)	-0.228*** (0.026)	-0.214*** (0.027)	-0.200*** (0.024)	-0.199*** (0.024)	-0.196*** (0.025)	-0.215*** (0.026)	-0.197*** (0.025)	-0.180*** (0.023)
Friend (d)	1.184*** (0.084)								
Observations	136,715	136,371	136,246	136,408	136,371	136,246	136,228	136,228	139,356
Pseudo R^2	0.031	0.032	0.034	0.037	0.038	0.038	0.034	0.038	0.062

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 21: Financial Channel - Subsamples - Life satisfaction (OLS)

Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	
ln(income)	0.292*** (0.058)	0.104*** (0.029)	0.141* (0.074)	0.327** (0.127)	-0.091 (0.193)	0.062* (0.036)	0.089*** (0.022)
Pay unexpected expenses (d)	-0.277*** (0.037)	-0.173*** (0.026)	-0.286*** (0.045)	-0.259*** (0.050)	-0.204*** (0.047)	-0.447*** (0.058)	-0.254*** (0.021)
Pay meat meal (d)	-0.383*** (0.065)	-0.395*** (0.074)	-0.355*** (0.096)	-0.357* (0.174)	-0.058 (0.122)	-0.209 (0.195)	-0.374*** (0.066)
Great diff. EM (d)	-1.521*** (0.119)	-1.138*** (0.152)	-1.252*** (0.167)	-1.342*** (0.136)	-1.235*** (0.224)	-0.930*** (0.149)	-1.235*** (0.116)
Difficulty EM (d)	-0.919*** (0.086)	-0.765*** (0.110)	-0.845*** (0.093)	-0.813*** (0.106)	-0.727*** (0.091)	-0.722*** (0.066)	-0.797*** (0.075)
Some difficulty EM (d)	-0.420*** (0.061)	-0.416*** (0.080)	-0.464*** (0.035)	-0.367*** (0.066)	-0.560*** (0.124)	-0.523*** (0.101)	-0.438*** (0.062)
Hours worked	-0.007* (0.004)	-0.001 (0.002)	-0.008*** (0.002)	-0.009*** (0.003)	-0.007** (0.003)	-0.003** (0.001)	-0.005*** (0.001)
Age	-0.119*** (0.018)	-0.094*** (0.010)	-0.096*** (0.011)	-0.103*** (0.008)	-0.067*** (0.016)	-0.075*** (0.015)	-0.091*** (0.004)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	0.095 (0.074)	0.062 (0.048)	0.012 (0.072)	0.152** (0.064)	0.056 (0.042)	0.068** (0.032)	0.065* (0.033)
Has a child (d)	0.028 (0.056)	0.070 (0.055)	0.020 (0.089)	0.182*** (0.036)	0.101** (0.045)	0.017 (0.037)	0.075*** (0.025)
Female x child (d)	0.003 (0.092)	-0.064 (0.065)	0.072 (0.073)	-0.185** (0.073)	-0.065 (0.052)	-0.041 (0.053)	-0.048 (0.045)
Friend (d)	0.707*** (0.093)	0.994*** (0.134)	0.891*** (0.206)	0.932*** (0.178)	0.887*** (0.081)	0.840*** (0.086)	0.919*** (0.122)
Manager (d)	0.069* (0.041)	0.091 (0.067)	0.093*** (0.027)	0.071** (0.027)	0.120** (0.049)	0.141*** (0.034)	0.105*** (0.019)
Elementary work (d)	-0.041 (0.081)	-0.020 (0.054)	-0.060 (0.088)	-0.140 (0.098)	0.178 (0.230)	0.126 (0.173)	-0.044 (0.028)
Temporary job (d)	-0.149** (0.071)	-0.189*** (0.029)	-0.058 (0.082)	-0.297*** (0.081)	-0.096 (0.072)	-0.010 (0.118)	-0.146*** (0.020)
Married (d)	0.186** (0.072)	0.402*** (0.040)	0.374*** (0.033)	0.309*** (0.027)	0.321*** (0.030)	0.338*** (0.045)	0.339*** (0.015)
Widow (d)	-0.134 (0.198)	-0.160 (0.119)	-0.221* (0.109)	-0.225 (0.173)	-0.431** (0.175)	-0.170*** (0.052)	-0.240*** (0.037)
Primary education (d)	0.432 (0.332)	-0.195** (0.083)	-0.005 (0.069)	0.066 (0.070)	-0.175* (0.093)	-0.022 (0.115)	-0.050 (0.061)
Tertiary education (d)	0.325*** (0.103)	0.126*** (0.034)	0.014 (0.031)	0.044 (0.054)	0.033 (0.030)	0.081* (0.041)	0.080*** (0.022)
Health limit (d)	-0.474*** (0.054)	-0.482*** (0.044)	-0.519*** (0.072)	-0.439*** (0.066)	-0.513*** (0.082)	-0.517*** (0.111)	-0.492*** (0.054)
Owner of dwelling (d)	0.225*** (0.056)	0.159*** (0.022)	0.156*** (0.043)	0.158** (0.060)	0.084** (0.031)	0.070* (0.038)	0.137*** (0.024)
Bad living conditions (d)	-0.219*** (0.056)	-0.198*** (0.022)	-0.174*** (0.043)	-0.146*** (0.060)	-0.184*** (0.031)	-0.205*** (0.038)	-0.184*** (0.024)

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Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	
	(0.070)	(0.046)	(0.037)	(0.037)	(0.044)	(0.028)	(0.027)
Crime in neighborhood (d)	-0.305***	-0.186***	-0.160**	-0.158**	-0.138**	-0.193***	-0.170***
	(0.044)	(0.049)	(0.061)	(0.069)	(0.050)	(0.037)	(0.022)
Constant	8.506***	8.279***	8.345***	6.788***	10.151***	8.638***	8.670***
	(0.277)	(0.337)	(0.799)	(1.351)	(1.931)	(0.450)	(0.253)
Observations	13,296	45,154	27,294	21,839	14,097	16,943	139,690
R^2	0.284	0.257	0.194	0.186	0.169	0.159	0.224
Adjusted R^2	0.281	0.256	0.193	0.185	0.166	0.156	0.223

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. Names of the columns correspond to thousands of EUR in PPP. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 22: Financial Channel - Subsamples - Life satisfaction (Ordered probit)

Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	
ln(income)	0.163***	0.068***	0.092**	0.199**	-0.104	0.071**	0.055***
	(0.036)	(0.019)	(0.040)	(0.078)	(0.150)	(0.035)	(0.013)
Pay unexpected expenses (d)	-0.156***	-0.116***	-0.170***	-0.160***	-0.145***	-0.319***	-0.162***
	(0.025)	(0.018)	(0.029)	(0.027)	(0.031)	(0.041)	(0.014)
Pay meat meal (d)	-0.204***	-0.192***	-0.179***	-0.209*	-0.051	-0.082	-0.195***
	(0.032)	(0.037)	(0.045)	(0.108)	(0.096)	(0.153)	(0.041)
Great diff. EM (d)	-0.875***	-0.672***	-0.727***	-0.779***	-0.788***	-0.609***	-0.736***
	(0.066)	(0.072)	(0.082)	(0.088)	(0.152)	(0.101)	(0.063)
Difficulty EM (d)	-0.583***	-0.499***	-0.542***	-0.538***	-0.524***	-0.510***	-0.534***
	(0.044)	(0.061)	(0.059)	(0.072)	(0.065)	(0.036)	(0.046)
Some difficulty EM (d)	-0.293***	-0.286***	-0.319***	-0.279***	-0.417***	-0.413***	-0.318***
	(0.037)	(0.049)	(0.020)	(0.038)	(0.067)	(0.058)	(0.037)
Hours worked	-0.003	-0.001	-0.006***	-0.006***	-0.005**	-0.003***	-0.004***
	(0.002)	(0.001)	(0.001)	(0.001)	(0.002)	(0.001)	(0.001)
Age	-0.072***	-0.059***	-0.061***	-0.068***	-0.057***	-0.063***	-0.061***
	(0.009)	(0.006)	(0.006)	(0.006)	(0.013)	(0.013)	(0.003)
Age squared	0.001***	0.001***	0.001***	0.001***	0.001***	0.001***	0.001***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Female (d)	0.061	0.048*	0.004	0.101***	0.053	0.066**	0.048**
	(0.041)	(0.029)	(0.042)	(0.038)	(0.033)	(0.029)	(0.022)
Has a child (d)	0.013	0.050	0.003	0.101***	0.075**	0.014	0.047**
	(0.035)	(0.032)	(0.052)	(0.023)	(0.035)	(0.031)	(0.018)
Female x child (d)	-0.005	-0.044	0.053	-0.108***	-0.049	-0.028	-0.030
	(0.050)	(0.039)	(0.041)	(0.039)	(0.035)	(0.048)	(0.027)
Friend (d)	0.361***	0.559***	0.492***	0.535***	0.571***	0.557***	0.535***
	(0.057)	(0.073)	(0.114)	(0.112)	(0.039)	(0.058)	(0.074)
Manager (d)	0.053**	0.061	0.057***	0.040**	0.101**	0.116***	0.073***
	(0.026)	(0.042)	(0.022)	(0.019)	(0.040)	(0.024)	(0.012)
Elementary work (d)	-0.024	-0.008	-0.036	-0.077	0.120	0.129	-0.022

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Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	
	(0.049)	(0.031)	(0.046)	(0.059)	(0.173)	(0.132)	(0.016)
Temporary job (d)	-0.079*	-0.116***	-0.038	-0.182***	-0.062	0.038	-0.091***
	(0.043)	(0.018)	(0.049)	(0.048)	(0.051)	(0.072)	(0.013)
Married (d)	0.117***	0.254***	0.246***	0.222***	0.255***	0.276***	0.237***
	(0.045)	(0.024)	(0.025)	(0.016)	(0.023)	(0.037)	(0.007)
Widow (d)	-0.059	-0.096	-0.120**	-0.135	-0.270***	-0.162***	-0.141***
	(0.112)	(0.069)	(0.055)	(0.112)	(0.101)	(0.059)	(0.023)
Primary education (d)	0.291	-0.096**	0.015	0.078	-0.138***	-0.048	-0.009
	(0.223)	(0.043)	(0.036)	(0.059)	(0.049)	(0.093)	(0.033)
Tertiary education (d)	0.196***	0.081***	0.009	0.017	0.016	0.049	0.048***
	(0.051)	(0.028)	(0.020)	(0.039)	(0.028)	(0.042)	(0.017)
Health limit (d)	-0.264***	-0.296***	-0.310***	-0.289***	-0.352***	-0.392***	-0.315***
	(0.035)	(0.025)	(0.036)	(0.049)	(0.050)	(0.072)	(0.035)
Owner of dwelling (d)	0.124***	0.105***	0.093***	0.116***	0.074***	0.068**	0.095***
	(0.032)	(0.015)	(0.029)	(0.038)	(0.022)	(0.028)	(0.014)
Bad living conditions (d)	-0.123***	-0.133***	-0.110***	-0.109***	-0.132***	-0.156***	-0.127***
	(0.041)	(0.031)	(0.026)	(0.024)	(0.032)	(0.024)	(0.019)
Crime in neighborhood (d)	-0.165***	-0.108***	-0.096**	-0.091**	-0.100***	-0.157***	-0.105***
	(0.025)	(0.032)	(0.042)	(0.041)	(0.034)	(0.031)	(0.014)
Observations	13,296	45,154	27,294	21,839	14,097	16,943	139,690
Pseudo R^2	0.079	0.070	0.053	0.052	0.049	0.048	0.061

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. Names of the columns correspond to thousands of EUR in PPP. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 23: Financial Channel - Subsamples - Life satisfaction (Ordered logit)

Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	
ln(income)	0.298***	0.127***	0.160*	0.330***	-0.155	0.125*	0.108***
	(0.064)	(0.037)	(0.085)	(0.123)	(0.252)	(0.066)	(0.021)
Pay unexpected expenses (d)	-0.274***	-0.233***	-0.303***	-0.269***	-0.256***	-0.632***	-0.300***
	(0.046)	(0.037)	(0.049)	(0.052)	(0.057)	(0.056)	(0.026)
Pay meat meal (d)	-0.382***	-0.359***	-0.285***	-0.417**	-0.100	-0.140	-0.367***
	(0.060)	(0.065)	(0.080)	(0.174)	(0.169)	(0.335)	(0.075)
Great diff. EM (d)	-1.578***	-1.128***	-1.292***	-1.452***	-1.491***	-1.216***	-1.316***
	(0.131)	(0.133)	(0.166)	(0.163)	(0.277)	(0.187)	(0.127)
Difficulty EM (d)	-1.046***	-0.834***	-0.980***	-0.964***	-0.933***	-0.882***	-0.940***
	(0.083)	(0.107)	(0.115)	(0.130)	(0.111)	(0.074)	(0.087)
Some difficulty EM (d)	-0.518***	-0.475***	-0.583***	-0.504***	-0.728***	-0.732***	-0.558***
	(0.064)	(0.091)	(0.042)	(0.071)	(0.109)	(0.104)	(0.070)
Hours worked	-0.007**	-0.002	-0.011***	-0.013***	-0.009**	-0.004***	-0.007***
	(0.004)	(0.002)	(0.002)	(0.002)	(0.004)	(0.001)	(0.001)
Age	-0.127***	-0.101***	-0.112***	-0.113***	-0.099***	-0.119***	-0.107***
	(0.017)	(0.011)	(0.012)	(0.010)	(0.022)	(0.023)	(0.006)

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Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	0.113 (0.083)	0.081 (0.053)	0.011 (0.086)	0.172*** (0.059)	0.117* (0.061)	0.126** (0.055)	0.089** (0.040)
Has a child (d)	0.050 (0.068)	0.066 (0.058)	0.024 (0.095)	0.174*** (0.032)	0.126* (0.068)	0.046 (0.056)	0.082*** (0.031)
Female x child (d)	-0.055 (0.093)	-0.072 (0.068)	0.094 (0.083)	-0.190*** (0.063)	-0.094* (0.055)	-0.053 (0.087)	-0.054 (0.045)
Friend (d)	0.686*** (0.111)	1.010*** (0.128)	0.907*** (0.206)	0.955*** (0.225)	1.026*** (0.076)	0.998*** (0.095)	0.961*** (0.136)
Manager (d)	0.086* (0.046)	0.114* (0.066)	0.109*** (0.037)	0.066* (0.037)	0.191*** (0.070)	0.213*** (0.040)	0.133*** (0.020)
Elementary work (d)	-0.061 (0.083)	-0.031 (0.055)	-0.076 (0.082)	-0.108 (0.098)	0.224 (0.309)	0.213 (0.201)	-0.047 (0.033)
Temporary job (d)	-0.139** (0.068)	-0.205*** (0.031)	-0.064 (0.077)	-0.271*** (0.070)	-0.076 (0.082)	0.061 (0.111)	-0.153*** (0.021)
Married (d)	0.182** (0.084)	0.441*** (0.040)	0.432*** (0.044)	0.390*** (0.030)	0.440*** (0.036)	0.479*** (0.069)	0.413*** (0.011)
Widow (d)	-0.054 (0.212)	-0.188* (0.107)	-0.258** (0.112)	-0.271 (0.190)	-0.534*** (0.197)	-0.322*** (0.093)	-0.276*** (0.042)
Primary education (d)	0.478 (0.390)	-0.167** (0.073)	0.026 (0.077)	0.110 (0.138)	-0.283*** (0.085)	-0.056 (0.157)	-0.025 (0.060)
Tertiary education (d)	0.358*** (0.094)	0.134*** (0.048)	0.025 (0.033)	0.046 (0.068)	0.044 (0.048)	0.093 (0.090)	0.090*** (0.030)
Health limit (d)	-0.475*** (0.061)	-0.502*** (0.041)	-0.558*** (0.062)	-0.540*** (0.083)	-0.603*** (0.078)	-0.679*** (0.134)	-0.555*** (0.060)
Owner of dwelling (d)	0.203*** (0.054)	0.194*** (0.031)	0.180*** (0.051)	0.211*** (0.074)	0.152*** (0.040)	0.142*** (0.050)	0.179*** (0.026)
Bad living conditions (d)	-0.220*** (0.070)	-0.253*** (0.053)	-0.184*** (0.050)	-0.199*** (0.043)	-0.221*** (0.050)	-0.264*** (0.045)	-0.226*** (0.033)
Crime in neighborhood (d)	-0.277*** (0.050)	-0.167*** (0.054)	-0.179** (0.078)	-0.152** (0.069)	-0.178*** (0.061)	-0.286*** (0.056)	-0.180*** (0.023)
Observations	13,296	45,154	27,294	21,839	14,097	16,943	139,690
Pseudo R^2	0.083	0.071	0.055	0.054	0.050	0.050	0.064

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. Names of the columns correspond to thousands of EUR in PPP. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 24: Financial Channel - Subsamples - Happiness index (OLS)

Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	
ln(income)	0.123** (0.048)	0.039 (0.039)	-0.074 (0.064)	0.048 (0.163)	0.304 (0.347)	-0.059* (0.030)	0.026* (0.013)
Pay unexpected expenses (d)	-0.079	-0.224***	-0.186***	-0.155**	-0.217***	-0.436***	-0.209***

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Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	
	(0.054)	(0.044)	(0.052)	(0.067)	(0.050)	(0.045)	(0.022)
Pay meat meal (d)	-0.248***	-0.185***	-0.163	-0.355***	-0.443***	-0.546***	-0.257***
	(0.062)	(0.055)	(0.110)	(0.087)	(0.154)	(0.191)	(0.035)
Great diff. EM (d)	-0.971***	-1.037***	-1.085***	-1.193***	-1.152***	-1.045***	-1.060***
	(0.102)	(0.095)	(0.096)	(0.175)	(0.184)	(0.159)	(0.077)
Difficulty EM (d)	-0.604***	-0.564***	-0.711***	-0.626***	-0.571***	-0.586***	-0.606***
	(0.091)	(0.066)	(0.060)	(0.108)	(0.073)	(0.076)	(0.047)
Some difficulty EM (d)	-0.268***	-0.326***	-0.365***	-0.335***	-0.377***	-0.357***	-0.336***
	(0.046)	(0.063)	(0.022)	(0.058)	(0.054)	(0.104)	(0.038)
Hours worked	-0.005*	-0.000	-0.007***	-0.013***	-0.011***	-0.011***	-0.006***
	(0.003)	(0.002)	(0.002)	(0.002)	(0.004)	(0.001)	(0.001)
Age	-0.101***	-0.056***	-0.059***	-0.064***	-0.043**	-0.057***	-0.057***
	(0.013)	(0.007)	(0.014)	(0.014)	(0.017)	(0.020)	(0.005)
Age squared	0.001***	0.001***	0.001***	0.001***	0.000**	0.001***	0.001***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Female (d)	-0.153**	-0.297***	-0.461***	-0.464***	-0.373***	-0.326***	-0.373***
	(0.063)	(0.090)	(0.083)	(0.079)	(0.088)	(0.049)	(0.049)
Has a child (d)	-0.055*	-0.073	-0.052	0.065	0.093	-0.007	-0.011
	(0.031)	(0.066)	(0.087)	(0.066)	(0.068)	(0.042)	(0.024)
Female x child (d)	0.010	0.033	0.044	-0.083	-0.074	0.013	-0.008
	(0.089)	(0.068)	(0.097)	(0.120)	(0.115)	(0.055)	(0.038)
Friend (d)	0.974***	1.032***	1.134***	1.073***	1.047***	0.944***	1.057***
	(0.181)	(0.076)	(0.167)	(0.124)	(0.054)	(0.081)	(0.079)
Manager (d)	0.015	0.044	-0.034	-0.039	0.040	0.090**	0.009
	(0.044)	(0.055)	(0.065)	(0.023)	(0.045)	(0.035)	(0.022)
Elementary work (d)	-0.130*	-0.050	-0.148*	-0.072	0.123	0.031	-0.072**
	(0.065)	(0.033)	(0.074)	(0.067)	(0.112)	(0.135)	(0.027)
Temporary job (d)	-0.074	-0.113***	0.003	-0.217***	-0.042	-0.120	-0.079***
	(0.057)	(0.037)	(0.047)	(0.073)	(0.088)	(0.119)	(0.026)
Married (d)	0.099	0.128**	0.063	0.050	0.137**	0.135***	0.098***
	(0.062)	(0.047)	(0.041)	(0.047)	(0.055)	(0.020)	(0.020)
Widow (d)	-0.174	-0.132***	-0.326**	-0.090	-0.555***	-0.241**	-0.236***
	(0.144)	(0.039)	(0.142)	(0.108)	(0.134)	(0.114)	(0.038)
Primary education (d)	0.705*	-0.257**	-0.071	0.230***	0.048	0.037	-0.048
	(0.384)	(0.098)	(0.099)	(0.082)	(0.113)	(0.087)	(0.073)
Tertiary education (d)	0.146***	0.003	0.049	0.026	-0.073*	0.086***	0.010
	(0.049)	(0.028)	(0.038)	(0.023)	(0.036)	(0.028)	(0.019)
Health limit (d)	-0.725***	-0.630***	-0.732***	-0.796***	-0.689***	-0.762***	-0.719***
	(0.065)	(0.052)	(0.061)	(0.038)	(0.060)	(0.088)	(0.040)
Owner of dwelling (d)	0.162***	0.024	-0.042	0.030	-0.036	-0.070	-0.007
	(0.055)	(0.036)	(0.051)	(0.031)	(0.049)	(0.060)	(0.019)
Bad living conditions (d)	-0.255***	-0.222***	-0.183***	-0.176***	-0.193***	-0.242***	-0.208***
	(0.054)	(0.025)	(0.028)	(0.051)	(0.039)	(0.037)	(0.017)
Crime in neighborhood (d)	-0.218***	-0.160***	-0.199***	-0.184***	-0.225***	-0.209***	-0.187***
	(0.048)	(0.034)	(0.045)	(0.049)	(0.049)	(0.049)	(0.020)
Observations	13,055	43,488	26,631	21,512	13,968	16,820	136,534
R ²	0.219	0.216	0.170	0.179	0.164	0.181	0.187

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Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	
Adjusted R^2	0.216	0.215	0.168	0.177	0.161	0.179	0.187

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. Names of the columns correspond to thousands of EUR in PPP. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 25: Financial Channel - Subsamples - Happiness index (Ordered probit)

Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	
ln(income)	0.080*** (0.029)	0.027 (0.023)	-0.041 (0.039)	0.020 (0.100)	0.168 (0.222)	-0.029 (0.025)	0.014 (0.009)
Pay unexpected expenses (d)	-0.046 (0.032)	-0.151*** (0.026)	-0.104*** (0.031)	-0.087** (0.040)	-0.125*** (0.031)	-0.273*** (0.030)	-0.127*** (0.016)
Pay meat meal (d)	-0.147*** (0.043)	-0.099** (0.041)	-0.093 (0.060)	-0.191*** (0.052)	-0.238*** (0.085)	-0.342*** (0.107)	-0.145*** (0.021)
Great diff. EM (d)	-0.616*** (0.063)	-0.633*** (0.048)	-0.623*** (0.051)	-0.676*** (0.096)	-0.695*** (0.121)	-0.677*** (0.093)	-0.630*** (0.041)
Difficulty EM (d)	-0.414*** (0.054)	-0.361*** (0.037)	-0.431*** (0.034)	-0.375*** (0.064)	-0.367*** (0.049)	-0.383*** (0.044)	-0.379*** (0.029)
Some difficulty EM (d)	-0.192*** (0.030)	-0.219*** (0.040)	-0.230*** (0.015)	-0.212*** (0.038)	-0.237*** (0.035)	-0.246*** (0.069)	-0.218*** (0.025)
Hours worked	-0.003** (0.002)	-0.000 (0.001)	-0.004*** (0.001)	-0.007*** (0.001)	-0.007*** (0.002)	-0.007*** (0.001)	-0.004*** (0.001)
Age	-0.065*** (0.009)	-0.037*** (0.005)	-0.037*** (0.009)	-0.038*** (0.008)	-0.026** (0.013)	-0.041*** (0.012)	-0.037*** (0.003)
Age squared	0.001*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000** (0.000)	0.000*** (0.000)	0.000*** (0.000)
Female (d)	-0.096*** (0.036)	-0.200*** (0.057)	-0.280*** (0.052)	-0.290*** (0.043)	-0.248*** (0.047)	-0.234*** (0.023)	-0.242*** (0.029)
Has a child (d)	-0.040* (0.021)	-0.049 (0.040)	-0.043 (0.051)	0.031 (0.037)	0.053 (0.043)	-0.006 (0.026)	-0.011 (0.016)
Female x child (d)	0.013 (0.047)	0.029 (0.041)	0.036 (0.055)	-0.045 (0.067)	-0.040 (0.078)	0.011 (0.038)	0.000 (0.021)
Friend (d)	0.539*** (0.112)	0.606*** (0.052)	0.621*** (0.091)	0.603*** (0.065)	0.615*** (0.033)	0.571*** (0.072)	0.606*** (0.047)
Manager (d)	0.017 (0.030)	0.028 (0.036)	-0.021 (0.038)	-0.024 (0.015)	0.029 (0.030)	0.054** (0.027)	0.006 (0.015)
Elementary work (d)	-0.062 (0.045)	-0.040** (0.019)	-0.072* (0.041)	-0.024 (0.040)	0.094 (0.077)	0.028 (0.098)	-0.037** (0.015)
Temporary job (d)	-0.042 (0.039)	-0.069*** (0.023)	-0.002 (0.026)	-0.124*** (0.041)	-0.028 (0.053)	-0.092 (0.076)	-0.048*** (0.014)
Married (d)	0.056 (0.043)	0.080*** (0.029)	0.039 (0.027)	0.027 (0.028)	0.078** (0.040)	0.089*** (0.014)	0.059*** (0.013)
Widow (d)	-0.115 (0.090)	-0.080*** (0.026)	-0.182** (0.083)	-0.050 (0.076)	-0.312*** (0.087)	-0.159** (0.069)	-0.139*** (0.023)

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Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	
Primary education (d)	0.506* (0.272)	-0.163*** (0.053)	-0.037 (0.057)	0.138*** (0.048)	-0.001 (0.067)	0.028 (0.073)	-0.028 (0.042)
Tertiary education (d)	0.088** (0.037)	-0.013 (0.025)	0.019 (0.023)	0.010 (0.014)	-0.062** (0.024)	0.033 (0.020)	-0.008 (0.013)
Health limit (d)	-0.420*** (0.036)	-0.381*** (0.024)	-0.421*** (0.038)	-0.457*** (0.027)	-0.425*** (0.038)	-0.501*** (0.064)	-0.430*** (0.027)
Owner of dwelling (d)	0.090** (0.036)	0.010 (0.025)	-0.022 (0.030)	0.016 (0.018)	-0.007 (0.031)	-0.037 (0.044)	-0.004 (0.013)
Bad living conditions (d)	-0.164*** (0.036)	-0.146*** (0.017)	-0.104*** (0.019)	-0.118*** (0.033)	-0.125*** (0.025)	-0.178*** (0.024)	-0.135*** (0.011)
Crime in neighborhood (d)	-0.131*** (0.032)	-0.097*** (0.023)	-0.117*** (0.025)	-0.101*** (0.025)	-0.131*** (0.025)	-0.146*** (0.032)	-0.112*** (0.012)
Observations	13,055	43,488	26,631	21,512	13,968	16,820	136,534
Pseudo R^2	0.047	0.045	0.033	0.035	0.033	0.038	0.038

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. Names of the columns correspond to thousands of EUR in PPP. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 26: Financial Channel - Subsamples - Happiness index (Ordered logit)

Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	
ln(income)	0.151*** (0.057)	0.042 (0.037)	-0.022 (0.068)	0.088 (0.173)	0.378 (0.356)	-0.038 (0.037)	0.032* (0.017)
Pay unexpected expenses (d)	-0.064 (0.048)	-0.261*** (0.045)	-0.194*** (0.054)	-0.134* (0.074)	-0.217*** (0.050)	-0.468*** (0.064)	-0.220*** (0.027)
Pay meat meal (d)	-0.267*** (0.078)	-0.184*** (0.067)	-0.146 (0.115)	-0.363*** (0.089)	-0.434*** (0.166)	-0.663*** (0.226)	-0.259*** (0.036)
Great diff. EM (d)	-1.093*** (0.108)	-1.118*** (0.083)	-1.115*** (0.119)	-1.196*** (0.177)	-1.302*** (0.207)	-1.232*** (0.162)	-1.131*** (0.082)
Difficulty EM (d)	-0.726*** (0.097)	-0.626*** (0.071)	-0.746*** (0.062)	-0.686*** (0.120)	-0.680*** (0.094)	-0.745*** (0.105)	-0.676*** (0.060)
Some difficulty EM (d)	-0.332*** (0.054)	-0.374*** (0.077)	-0.404*** (0.028)	-0.404*** (0.068)	-0.439*** (0.073)	-0.430*** (0.134)	-0.392*** (0.051)
Hours worked	-0.006** (0.003)	-0.001 (0.002)	-0.008*** (0.003)	-0.013*** (0.002)	-0.011*** (0.004)	-0.013*** (0.002)	-0.006*** (0.001)
Age	-0.118*** (0.017)	-0.064*** (0.010)	-0.069*** (0.015)	-0.066*** (0.014)	-0.049** (0.020)	-0.069*** (0.018)	-0.065*** (0.006)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.000** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	-0.193*** (0.065)	-0.352*** (0.103)	-0.486*** (0.093)	-0.518*** (0.076)	-0.423*** (0.085)	-0.422*** (0.060)	-0.427*** (0.052)
Has a child (d)	-0.095** (0.048)	-0.097 (0.071)	-0.053 (0.097)	0.045 (0.067)	0.087 (0.077)	-0.016 (0.048)	-0.023 (0.030)
Female x child (d)	0.059	0.066	0.042	-0.059	-0.079	0.039	0.008

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Response variable	0-0.5	0.5-10	10-20	20-30	30-40	40-100	Full
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	
	(0.082)	(0.071)	(0.098)	(0.110)	(0.142)	(0.085)	(0.035)
Friend (d)	0.970***	1.135***	1.123***	1.009***	1.115***	1.027***	1.088***
	(0.226)	(0.097)	(0.161)	(0.121)	(0.061)	(0.121)	(0.087)
Manager (d)	0.021	0.058	−0.033	−0.051*	0.056	0.098*	0.010
	(0.045)	(0.071)	(0.069)	(0.027)	(0.063)	(0.052)	(0.025)
Elementary work (d)	−0.117	−0.076**	−0.171**	−0.035	0.213	0.015	−0.081***
	(0.080)	(0.032)	(0.074)	(0.061)	(0.168)	(0.220)	(0.029)
Temporary job (d)	−0.083	−0.118***	−0.010	−0.173***	−0.019	−0.150	−0.079***
	(0.066)	(0.038)	(0.037)	(0.056)	(0.114)	(0.115)	(0.021)
Married (d)	0.108	0.147***	0.058	0.046	0.123*	0.177***	0.106***
	(0.072)	(0.050)	(0.050)	(0.061)	(0.069)	(0.018)	(0.023)
Widow (d)	−0.181	−0.152***	−0.320**	−0.127	−0.520***	−0.275*	−0.245***
	(0.178)	(0.046)	(0.135)	(0.092)	(0.160)	(0.142)	(0.049)
Primary education (d)	0.950	−0.299***	−0.035	0.225***	0.058	0.080	−0.050
	(0.716)	(0.114)	(0.121)	(0.087)	(0.121)	(0.173)	(0.084)
Tertiary education (d)	0.163***	−0.031	0.040	0.014	−0.126***	0.068	−0.016
	(0.058)	(0.046)	(0.031)	(0.024)	(0.047)	(0.042)	(0.024)
Health limit (d)	−0.723***	−0.651***	−0.718***	−0.791***	−0.735***	−0.865***	−0.741***
	(0.059)	(0.051)	(0.064)	(0.055)	(0.071)	(0.121)	(0.051)
Owner of dwelling (d)	0.176***	0.028	−0.041	0.053*	0.006	−0.070	0.004
	(0.057)	(0.040)	(0.051)	(0.030)	(0.061)	(0.066)	(0.023)
Bad living conditions (d)	−0.280***	−0.271***	−0.196***	−0.212***	−0.246***	−0.295***	−0.245***
	(0.063)	(0.030)	(0.037)	(0.058)	(0.037)	(0.052)	(0.019)
Crime in neighborhood (d)	−0.217***	−0.164***	−0.205***	−0.199***	−0.198***	−0.256***	−0.197***
	(0.072)	(0.045)	(0.046)	(0.048)	(0.042)	(0.058)	(0.023)
Observations	13,055	43,488	26,631	21,512	13,968	16,820	136,534
Pseudo R^2	0.048	0.047	0.034	0.036	0.033	0.038	0.039

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. Names of the columns correspond to thousands of EUR in PPP. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 27: Gender differences in happiness - OLS - LS

Life satisfaction (OLS)	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ln(income)	0.093 ^{***} (0.022)	0.089 ^{***} (0.022)	0.082 ^{***} (0.021)	0.114 ^{***} (0.021)	0.108 ^{***} (0.022)	0.107 ^{***} (0.017)	0.087 ^{***} (0.037)	0.085 ^{***} (0.035)	0.073 ^{***} (0.038)
Friend (d)		0.919 ^{***} (0.122)			0.860 ^{***} (0.082)			0.994 ^{***} (0.183)	
Trust others (0-10)			0.180 ^{***} (0.015)			0.179 ^{***} (0.013)			0.181 ^{***} (0.018)
Pay unexpected expenses (d)	-0.266 ^{***} (0.021)	-0.254 ^{***} (0.021)	-0.229 ^{***} (0.019)	-0.257 ^{***} (0.028)	-0.246 ^{***} (0.029)	-0.226 ^{***} (0.030)	-0.269 ^{***} (0.024)	-0.255 ^{***} (0.022)	-0.227 ^{***} (0.014)
Pay meat meal (d)	-0.413 ^{***} (0.061)	-0.374 ^{***} (0.066)	-0.339 ^{***} (0.060)	-0.389 ^{***} (0.080)	-0.353 ^{***} (0.085)	-0.292 ^{***} (0.082)	-0.426 ^{***} (0.055)	-0.384 ^{***} (0.061)	-0.371 ^{***} (0.047)
Great difficulty EM (d)	-1.268 ^{***} (0.121)	-1.235 ^{***} (0.116)	-1.168 ^{***} (0.115)	-1.177 ^{***} (0.126)	-1.137 ^{***} (0.117)	-1.078 ^{***} (0.114)	-1.347 ^{***} (0.120)	-1.322 ^{***} (0.119)	-1.248 ^{***} (0.118)
Difficulty EM (d)	-0.824 ^{***} (0.083)	-0.797 ^{***} (0.075)	-0.761 ^{***} (0.077)	-0.799 ^{***} (0.106)	-0.767 ^{***} (0.093)	-0.734 ^{***} (0.097)	-0.841 ^{***} (0.066)	-0.819 ^{***} (0.062)	-0.779 ^{***} (0.063)
Some difficulty EM (d)	-0.451 ^{***} (0.069)	-0.438 ^{***} (0.062)	-0.414 ^{***} (0.059)	-0.457 ^{***} (0.084)	-0.440 ^{***} (0.074)	-0.413 ^{***} (0.076)	-0.439 ^{***} (0.057)	-0.432 ^{***} (0.055)	-0.409 ^{***} (0.049)
Hours worked	-0.006 ^{***} (0.001)	-0.005 ^{***} (0.001)	-0.004 ^{***} (0.001)	-0.003 ^{***} (0.001)	-0.003 ^{***} (0.001)	-0.002 ^{***} (0.001)	-0.007 ^{***} (0.002)	-0.007 ^{***} (0.002)	-0.006 ^{***} (0.002)
Manager (d)	0.113 ^{***} (0.022)	0.105 ^{***} (0.019)	0.104 ^{***} (0.020)	0.133 ^{***} (0.030)	0.124 ^{***} (0.026)	0.125 ^{***} (0.027)	0.088 ^{***} (0.024)	0.083 ^{***} (0.023)	0.076 ^{***} (0.024)
Elementary work (d)	-0.060 ^{**} (0.028)	-0.044 [*] (0.028)	-0.032 [*] (0.029)	-0.075 [*] (0.042)	-0.055 [*] (0.047)	-0.053 [*] (0.044)	-0.036 [*] (0.038)	-0.025 [*] (0.034)	-0.011 [*] (0.037)
Temporary job (d)	-0.157 ^{***} (0.017)	-0.146 ^{***} (0.020)	-0.162 ^{***} (0.018)	-0.180 ^{***} (0.041)	-0.169 ^{***} (0.039)	-0.184 ^{***} (0.044)	-0.134 ^{***} (0.036)	-0.122 ^{***} (0.041)	-0.139 ^{***} (0.038)
Age	-0.096 ^{***} (0.004)	-0.091 ^{***} (0.004)	-0.089 ^{***} (0.005)	-0.106 ^{***} (0.008)	-0.100 ^{***} (0.008)	-0.099 ^{***} (0.009)	-0.086 ^{***} (0.004)	-0.083 ^{***} (0.003)	-0.080 ^{***} (0.003)
Age squared	0.001 ^{***} (0.000)	0.001 ^{***} (0.000)	0.001 ^{***} (0.000)	0.001 ^{***} (0.000)	0.001 ^{***} (0.000)	0.001 ^{***} (0.000)	0.001 ^{***} (0.000)	0.001 ^{***} (0.000)	0.001 ^{***} (0.000)

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Life satisfaction (OLS)	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Female (d)	0.089*** (0.029)	0.065* (0.033)	0.071*** (0.026)						
Female x child (d)	-0.058 (0.044)	-0.048 (0.045)	-0.055 (0.043)						
Has a child (d)	0.080*** (0.026)	0.075*** (0.025)	0.082*** (0.024)	0.102*** (0.039)	0.102** (0.037)	0.102*** (0.036)	0.001 (0.034)	0.007 (0.034)	0.005 (0.032)
Married (d)	0.366*** (0.017)	0.339*** (0.015)	0.357*** (0.016)	0.320*** (0.029)	0.285*** (0.024)	0.311*** (0.028)	0.386*** (0.031)	0.365*** (0.030)	0.375*** (0.027)
Widow (d)	-0.261*** (0.041)	-0.240*** (0.037)	-0.221*** (0.030)	-0.248** (0.108)	-0.218** (0.104)	-0.137 (0.111)	-0.243*** (0.036)	-0.220*** (0.035)	-0.222*** (0.030)
Primary education (d)	-0.072 (0.061)	-0.050 (0.061)	-0.039 (0.060)	-0.003 (0.109)	0.011 (0.101)	0.016 (0.114)	-0.162** (0.066)	-0.130* (0.073)	-0.112* (0.066)
Tertiary education (d)	0.084*** (0.021)	0.080*** (0.022)	0.022 (0.020)	0.070*** (0.025)	0.069** (0.026)	0.016 (0.025)	0.099*** (0.022)	0.090*** (0.022)	0.027 (0.022)
Health limit (d)	-0.507*** (0.059)	-0.492*** (0.054)	-0.459*** (0.053)	-0.504*** (0.057)	-0.489*** (0.055)	-0.452*** (0.058)	-0.509*** (0.073)	-0.491*** (0.069)	-0.463*** (0.063)
Owner of dwelling (d)	0.139*** (0.027)	0.137*** (0.024)	0.124*** (0.028)	0.105*** (0.029)	0.106*** (0.027)	0.093*** (0.029)	0.168*** (0.028)	0.161*** (0.026)	0.150*** (0.031)
Bad living conditions (d)	-0.190*** (0.029)	-0.184*** (0.027)	-0.159*** (0.026)	-0.166*** (0.024)	-0.160*** (0.022)	-0.134*** (0.019)	-0.215*** (0.038)	-0.208*** (0.035)	-0.184*** (0.038)
Crime in neighborhood (d)	-0.177*** (0.020)	-0.170*** (0.022)	-0.125*** (0.019)	-0.210*** (0.028)	-0.203*** (0.030)	-0.159*** (0.025)	-0.143*** (0.025)	-0.136*** (0.026)	-0.091*** (0.024)
Constant	9.638*** (0.186)	8.670*** (0.253)	8.449*** (0.288)	9.617*** (0.272)	8.694*** (0.287)	8.351*** (0.320)	9.591*** (0.198)	8.548*** (0.326)	8.459*** (0.329)
Observations	139,752	139,690	138,027	67,323	67,208	66,370	72,615	72,482	71,657
R ²	0.210	0.224	0.253	0.145	0.211	0.241	0.160	0.237	0.266
Adjusted R ²	0.209	0.223	0.252	0.144	0.211	0.240	0.160	0.237	0.265

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 28: Gender differences in happiness - OLS - Happiness Index

Happiness Index (OLS)	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ln(income)	0.030** (0.012)	0.026* (0.013)	0.021* (0.011)	0.020 (0.021)	0.014 (0.021)	0.016 (0.022)	0.039** (0.016)	0.037** (0.015)	0.026 (0.016)
Friend (d)		1.057*** (0.079)			0.935*** (0.082)			1.214*** (0.092)	
Trust others (0-10)			0.155*** (0.010)			0.146*** (0.011)			0.162*** (0.014)
Pay unexpected expenses (d)	-0.224*** (0.022)	-0.209*** (0.022)	-0.187*** (0.023)	-0.216*** (0.027)	-0.201*** (0.025)	-0.184*** (0.029)	-0.228*** (0.035)	-0.212*** (0.035)	-0.187*** (0.027)
Pay meat meal (d)	-0.298*** (0.030)	-0.257*** (0.035)	-0.245*** (0.028)	-0.205*** (0.037)	-0.172*** (0.034)	-0.141*** (0.035)	-0.369*** (0.038)	-0.318*** (0.047)	-0.325*** (0.033)
Great difficulty EM (d)	-1.095*** (0.078)	-1.060*** (0.077)	-1.013*** (0.077)	-1.048*** (0.083)	-1.014*** (0.078)	-0.984*** (0.077)	-1.144*** (0.085)	-1.107*** (0.084)	-1.041*** (0.092)
Difficulty EM (d)	-0.638*** (0.052)	-0.606*** (0.047)	-0.583*** (0.050)	-0.586*** (0.058)	-0.552*** (0.050)	-0.534*** (0.056)	-0.686*** (0.053)	-0.655*** (0.050)	-0.627*** (0.054)
Some difficulty EM (d)	-0.350*** (0.044)	-0.336*** (0.038)	-0.315*** (0.037)	-0.321*** (0.054)	-0.304*** (0.045)	-0.283*** (0.048)	-0.377*** (0.044)	-0.368*** (0.042)	-0.346*** (0.042)
Hours worked	-0.006*** (0.001)	-0.006*** (0.001)	-0.005*** (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.005*** (0.001)	-0.007*** (0.001)	-0.007*** (0.001)	-0.006*** (0.001)
Manager (d)	0.018 (0.025)	0.009 (0.022)	0.012 (0.025)	0.018 (0.038)	0.010 (0.033)	0.016 (0.036)	0.021 (0.029)	0.015 (0.028)	0.009 (0.030)
Elementary work (d)	-0.088*** (0.031)	-0.072** (0.027)	-0.066** (0.025)	-0.048 (0.030)	-0.032 (0.025)	-0.037 (0.030)	-0.087** (0.039)	-0.071* (0.036)	-0.063* (0.036)
Temporary job (d)	-0.090*** (0.024)	-0.079*** (0.026)	-0.094*** (0.023)	-0.104*** (0.047)	-0.095* (0.052)	-0.102** (0.047)	-0.084* (0.045)	-0.072* (0.041)	-0.093*** (0.043)
Age	-0.062*** (0.005)	-0.057*** (0.005)	-0.057*** (0.006)	-0.069*** (0.009)	-0.062*** (0.008)	-0.063*** (0.009)	-0.055*** (0.007)	-0.052*** (0.007)	-0.051*** (0.007)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)

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Happiness Index (OLS)	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Female (d)	-0.347*** (0.048)	-0.373*** (0.049)	-0.358*** (0.045)						
Female x child (d)	-0.021 (0.039)	-0.008 (0.038)	-0.022 (0.037)						
Has a child (d)	-0.005 (0.024)	-0.011 (0.024)	-0.002 (0.022)	0.027 (0.021)	0.024 (0.020)	0.026 (0.020)	-0.045* (0.026)	-0.036 (0.025)	-0.043* (0.022)
Married (d)	0.125*** (0.019)	0.098*** (0.020)	0.117*** (0.018)	0.098*** (0.021)	0.068*** (0.020)	0.093*** (0.020)	0.134*** (0.036)	0.110*** (0.036)	0.122*** (0.032)
Widow (d)	-0.262*** (0.039)	-0.236*** (0.038)	-0.228*** (0.038)	-0.284*** (0.066)	-0.243*** (0.068)	-0.229*** (0.048)	-0.256*** (0.042)	-0.231*** (0.041)	-0.229*** (0.043)
Primary education (d)	-0.074 (0.075)	-0.048 (0.073)	-0.042 (0.074)	-0.007 (0.093)	0.014 (0.087)	0.019 (0.101)	-0.166* (0.097)	-0.132 (0.105)	-0.123 (0.093)
Tertiary education (d)	0.015 (0.019)	0.010 (0.019)	-0.039** (0.016)	-0.002 (0.018)	-0.003 (0.016)	-0.046** (0.019)	0.027 (0.037)	0.018 (0.036)	-0.037 (0.033)
Health limit (d)	-0.737*** (0.042)	-0.719*** (0.040)	-0.693*** (0.040)	-0.750*** (0.028)	-0.733*** (0.028)	-0.706*** (0.030)	-0.728*** (0.064)	-0.706*** (0.064)	-0.684*** (0.058)
Owner of dwelling (d)	-0.002 (0.021)	-0.007 (0.019)	-0.014 (0.018)	-0.029 (0.028)	-0.033 (0.026)	-0.039 (0.025)	0.022 (0.024)	0.013 (0.021)	0.008 (0.022)
Bad living conditions (d)	-0.216*** (0.017)	-0.208*** (0.017)	-0.190*** (0.016)	-0.187*** (0.026)	-0.179*** (0.026)	-0.162*** (0.029)	-0.247*** (0.021)	-0.238*** (0.021)	-0.219*** (0.020)
Crime in neighborhood (d)	-0.193*** (0.020)	-0.187*** (0.020)	-0.148*** (0.020)	-0.241*** (0.021)	-0.235*** (0.021)	-0.196*** (0.022)	-0.146*** (0.043)	-0.140*** (0.041)	-0.100*** (0.046)
Constant	9.374*** (0.183)	8.261*** (0.215)	8.359*** (0.236)	8.462*** (0.214)	8.559*** (0.253)	8.509*** (0.207)	7.907*** (0.228)	7.611*** (0.244)	7.902*** (0.310)
Observations	136,752	136,534	135,106	65,560	65,543	64,829	71,012	70,991	70,277
Pseudo R^2	0.034	0.038	0.041	0.031	0.034	0.037	0.034	0.038	0.041

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 29: Gender differences in happiness - Ordered probit - Life satisfaction

Response variable	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ln(income)	0.057*** (0.012)	0.055*** (0.013)	0.051*** (0.012)	0.075*** (0.012)	0.072*** (0.013)	0.073*** (0.011)	0.051** (0.022)	0.050** (0.021)	0.043* (0.023)
Friend (d)		0.535*** (0.074)			0.500*** (0.054)			0.579*** (0.102)	
Trust others (0-10)			0.116*** (0.009)			0.115*** (0.008)			0.117*** (0.011)
Pay unexpected expenses (d)	-0.168*** (0.014)	-0.162*** (0.014)	-0.149*** (0.013)	-0.164*** (0.018)	-0.159*** (0.019)	-0.149*** (0.020)	-0.168*** (0.015)	-0.162*** (0.015)	-0.145*** (0.010)
Pay meat meal (d)	-0.215*** (0.038)	-0.195*** (0.041)	-0.176*** (0.038)	-0.196*** (0.049)	-0.177*** (0.052)	-0.143*** (0.052)	-0.228*** (0.034)	-0.206*** (0.038)	-0.199*** (0.030)
Great difficulty EM (d)	-0.748*** (0.064)	-0.736*** (0.063)	-0.709*** (0.063)	-0.692*** (0.065)	-0.675*** (0.062)	-0.652*** (0.059)	-0.797*** (0.066)	-0.790*** (0.066)	-0.758*** (0.067)
Difficulty EM (d)	-0.546*** (0.049)	-0.534*** (0.046)	-0.523*** (0.046)	-0.530*** (0.064)	-0.516*** (0.058)	-0.505*** (0.059)	-0.556*** (0.040)	-0.548*** (0.039)	-0.534*** (0.040)
Some difficulty EM (d)	-0.323*** (0.040)	-0.318*** (0.037)	-0.309*** (0.035)	-0.324*** (0.051)	-0.315*** (0.046)	-0.305*** (0.048)	-0.319*** (0.031)	-0.317*** (0.031)	-0.309*** (0.029)
Hours worked	-0.004*** (0.001)	-0.004*** (0.001)	-0.003*** (0.000)	-0.002*** (0.001)	-0.002*** (0.001)	-0.001*** (0.001)	-0.005*** (0.001)	-0.005*** (0.001)	-0.004*** (0.001)
Manager (d)	0.078*** (0.013)	0.073*** (0.012)	0.074*** (0.013)	0.091*** (0.019)	0.087*** (0.017)	0.089*** (0.018)	0.059*** (0.016)	0.056*** (0.015)	0.053*** (0.016)
Elementary work (d)	-0.030* (0.016)	-0.022 (0.016)	-0.015 (0.018)	-0.032 (0.024)	-0.021 (0.027)	-0.021 (0.027)	-0.021 (0.023)	-0.014 (0.021)	-0.006 (0.023)
Temporary job (d)	-0.097*** (0.011)	-0.091*** (0.013)	-0.104*** (0.012)	-0.105*** (0.025)	-0.099*** (0.024)	-0.113*** (0.028)	-0.086*** (0.024)	-0.080*** (0.027)	-0.092*** (0.027)
Age	-0.064*** (0.003)	-0.061*** (0.003)	-0.061*** (0.004)	-0.072*** (0.006)	-0.069*** (0.006)	-0.070*** (0.007)	-0.055*** (0.003)	-0.054*** (0.002)	-0.053*** (0.003)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.000*** (0.000)

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Response variable	All-basic			All-friend			All-trust			Men-basic			Men-friend			Men-trust			Women-basic			Women-friend			Women-trust		
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
Female (d)	0.061*** (0.020)	0.048*** (0.022)	0.052*** (0.018)																								
Female x child (d)	-0.035 (0.027)	-0.030 (0.027)	-0.035 (0.027)																								
Has a child (d)	0.049*** (0.018)	0.047*** (0.018)	0.052*** (0.017)	0.062*** (0.027)	0.062** (0.027)	0.064** (0.026)	-0.000 (0.021)	0.003 (0.020)																			
Married (d)	0.252*** (0.008)	0.237*** (0.007)	0.253*** (0.008)	0.228*** (0.020)	0.209*** (0.017)	0.229*** (0.019)	0.259*** (0.015)	0.249*** (0.016)																			
Widow (d)	-0.152*** (0.025)	-0.141*** (0.023)	-0.132*** (0.023)	-0.127** (0.067)	-0.110* (0.066)	-0.063 (0.075)	-0.146*** (0.023)	-0.134*** (0.022)																			
Primary education (d)	-0.021 (0.032)	-0.009 (0.033)	-0.001 (0.035)	0.020 (0.062)	0.028 (0.059)	0.032 (0.069)	-0.074* (0.039)	-0.057 (0.044)																			
Tertiary education (d)	0.050*** (0.017)	0.048*** (0.017)	0.012 (0.017)	0.041** (0.020)	0.041* (0.021)	0.008 (0.020)	0.060*** (0.016)	0.055*** (0.016)																			
Health limit (d)	-0.321*** (0.036)	-0.315*** (0.035)	-0.300*** (0.034)	-0.324*** (0.035)	-0.319*** (0.035)	-0.301*** (0.037)	-0.318*** (0.045)	-0.310*** (0.044)																			
Owner of dwelling (d)	0.095*** (0.016)	0.095*** (0.014)	0.088*** (0.017)	0.074*** (0.018)	0.075*** (0.018)	0.068*** (0.019)	0.113*** (0.016)	0.109*** (0.015)																			
Bad living conditions (d)	-0.130*** (0.020)	-0.127*** (0.019)	-0.113*** (0.019)	-0.115*** (0.017)	-0.112*** (0.016)	-0.098*** (0.014)	-0.144*** (0.026)	-0.142*** (0.024)																			
Crime in neighborhood (d)	-0.108*** (0.012)	-0.105*** (0.014)	-0.079*** (0.012)	-0.131*** (0.014)	-0.128*** (0.016)	-0.103*** (0.013)	-0.085*** (0.017)	-0.081*** (0.017)																			
Observations	139,752	139,690	138,027	67,323	67,208	66,370	72,615	72,482																			
Pseudo R^2	0.058	0.061	0.071	0.039	0.058	0.068	0.043	0.065																			

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 30: Gender differences in happiness - Ordered probit - Happiness index

Response variable	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ln(income)	0.016* (0.009)	0.014 (0.009)	0.011 (0.008)	0.010 (0.013)	0.006 (0.013)	0.007 (0.014)	0.021** (0.010)	0.020** (0.010)	0.013 (0.010)
Friend (d)		0.606*** (0.047)			0.544*** (0.045)			0.688*** (0.062)	
Trust others (0-10)			0.096*** (0.008)			0.092*** (0.007)			0.099*** (0.010)
Pay unexpected expenses (d)	-0.134*** (0.015)	-0.127*** (0.016)	-0.114*** (0.015)	-0.134*** (0.018)	-0.127*** (0.017)	-0.116*** (0.019)	-0.133*** (0.022)	-0.126*** (0.022)	-0.111*** (0.017)
Pay meat meal (d)	-0.166*** (0.019)	-0.145*** (0.021)	-0.137*** (0.019)	-0.117*** (0.028)	-0.099*** (0.026)	-0.081*** (0.027)	-0.206*** (0.021)	-0.179*** (0.025)	-0.182*** (0.018)
Great difficulty EM (d)	-0.643*** (0.042)	-0.630*** (0.041)	-0.605*** (0.042)	-0.626*** (0.047)	-0.612*** (0.043)	-0.596*** (0.044)	-0.665*** (0.045)	-0.653*** (0.045)	-0.617*** (0.048)
Difficulty EM (d)	-0.394*** (0.032)	-0.379*** (0.029)	-0.368*** (0.032)	-0.372*** (0.038)	-0.356*** (0.033)	-0.347*** (0.038)	-0.417*** (0.031)	-0.404*** (0.029)	-0.389*** (0.031)
Some difficulty EM (d)	-0.224*** (0.028)	-0.218*** (0.025)	-0.207*** (0.025)	-0.213*** (0.034)	-0.205*** (0.029)	-0.192*** (0.030)	-0.236*** (0.028)	-0.233*** (0.027)	-0.222*** (0.026)
Hours worked	-0.004*** (0.001)	-0.004*** (0.001)	-0.003*** (0.000)	-0.004*** (0.001)	-0.004*** (0.001)	-0.003*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)
Manager (d)	0.010 (0.016)	0.006 (0.015)	0.007 (0.016)	0.008 (0.024)	0.003 (0.021)	0.007 (0.023)	0.015 (0.019)	0.011 (0.018)	0.007 (0.019)
Elementary work (d)	-0.046*** (0.017)	-0.037*** (0.015)	-0.033*** (0.014)	-0.021 (0.021)	-0.012 (0.019)	-0.014 (0.023)	-0.049** (0.024)	-0.041* (0.022)	-0.035 (0.023)
Temporary job (d)	-0.054*** (0.013)	-0.048*** (0.014)	-0.058*** (0.013)	-0.063*** (0.024)	-0.058*** (0.027)	-0.063*** (0.025)	-0.050*** (0.025)	-0.044* (0.024)	-0.058*** (0.025)
Age	-0.039*** (0.003)	-0.037*** (0.003)	-0.037*** (0.004)	-0.045*** (0.005)	-0.041*** (0.005)	-0.042*** (0.006)	-0.033*** (0.004)	-0.032*** (0.005)	-0.031*** (0.005)
Age squared	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.000*** (0.000)

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Response variable	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Female (d)	-0.225*** (0.028)	-0.242*** (0.029)	-0.236*** (0.027)						
Has a child (d)	-0.008 (0.016)	-0.011 (0.016)	-0.006 (0.015)	0.013 (0.015)	0.012 (0.015)	0.013 (0.014)	-0.029** (0.013)	-0.024* (0.013)	-0.028** (0.011)
Female x child (d)	-0.007 (0.021)	0.000 (0.021)	-0.007 (0.020)						
Married (d)	0.074*** (0.012)	0.059*** (0.013)	0.071*** (0.012)	0.061*** (0.016)	0.044*** (0.015)	0.059*** (0.016)	0.080*** (0.021)	0.067*** (0.021)	0.074*** (0.019)
Widow (d)	-0.152*** (0.023)	-0.139*** (0.023)	-0.135*** (0.022)	-0.173*** (0.042)	-0.151*** (0.044)	-0.142*** (0.029)	-0.149*** (0.026)	-0.137*** (0.026)	-0.137*** (0.027)
Primary education (d)	-0.042 (0.042)	-0.028 (0.042)	-0.023 (0.043)	-0.012 (0.055)	0.000 (0.053)	0.004 (0.061)	-0.086 (0.059)	-0.069 (0.064)	-0.062 (0.058)
Tertiary education (d)	-0.006 (0.013)	-0.008 (0.013)	-0.039*** (0.011)	-0.020 (0.015)	-0.021 (0.014)	-0.048*** (0.015)	0.006 (0.023)	0.001 (0.023)	-0.033 (0.021)
Health limit (d)	-0.436*** (0.027)	-0.430*** (0.027)	-0.417*** (0.026)	-0.454*** (0.016)	-0.449*** (0.015)	-0.434*** (0.017)	-0.424*** (0.040)	-0.417*** (0.041)	-0.406*** (0.038)
Owner of dwelling (d)	-0.001 (0.014)	-0.004 (0.013)	-0.008 (0.013)	-0.013 (0.018)	-0.016 (0.017)	-0.020 (0.016)	0.011 (0.016)	0.006 (0.015)	0.003 (0.015)
Bad living conditions (d)	-0.138*** (0.011)	-0.135*** (0.011)	-0.125*** (0.011)	-0.124*** (0.017)	-0.121*** (0.017)	-0.111*** (0.019)	-0.154*** (0.016)	-0.150*** (0.016)	-0.140*** (0.015)
Crime in neighborhood (d)	-0.115*** (0.011)	-0.112*** (0.012)	-0.089*** (0.012)	-0.147*** (0.015)	-0.145*** (0.015)	-0.121*** (0.015)	-0.084*** (0.025)	-0.082*** (0.024)	-0.058*** (0.028)
Observations	136,752	136,534	135,106	65,560	65,543	64,829	71,012	70,991	70,277
Pseudo R^2	0.058	0.061	0.071	0.039	0.058	0.068	0.043	0.065	0.075

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 31: Gender differences in happiness - Ordered logit - Life satisfaction

Response variable	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ln(income)	0.111*** (0.021)	0.108*** (0.021)	0.100*** (0.019)	0.144*** (0.025)	0.142*** (0.026)	0.141*** (0.021)	0.101** (0.040)	0.098*** (0.037)	0.086*** (0.041)
Friend (d)		0.961*** (0.136)			0.894*** (0.107)			1.049*** (0.179)	
Trust others (0-10)			0.215*** (0.017)			0.213*** (0.016)			0.217*** (0.019)
Pay unexpected expenses (d)	-0.311*** (0.025)	-0.300*** (0.026)	-0.278*** (0.023)	-0.300*** (0.034)	-0.290*** (0.035)	-0.273*** (0.036)	-0.316*** (0.026)	-0.304*** (0.026)	-0.277*** (0.018)
Pay meat meal (d)	-0.405*** (0.069)	-0.367*** (0.075)	-0.332*** (0.069)	-0.371*** (0.088)	-0.336*** (0.094)	-0.274*** (0.096)	-0.424*** (0.060)	-0.382*** (0.069)	-0.370*** (0.052)
Great difficulty EM (d)	-1.333*** (0.129)	-1.316*** (0.127)	-1.262*** (0.127)	-1.225*** (0.129)	-1.201*** (0.125)	-1.155*** (0.117)	-1.430*** (0.135)	-1.418*** (0.132)	-1.356*** (0.138)
Difficulty EM (d)	-0.962*** (0.093)	-0.940*** (0.087)	-0.925*** (0.087)	-0.940*** (0.118)	-0.912*** (0.108)	-0.902*** (0.109)	-0.976*** (0.076)	-0.960*** (0.074)	-0.937*** (0.073)
Some difficulty EM (d)	-0.568*** (0.074)	-0.558*** (0.070)	-0.541*** (0.065)	-0.564*** (0.095)	-0.550*** (0.087)	-0.526*** (0.084)	-0.564*** (0.060)	-0.559*** (0.058)	-0.549*** (0.056)
Hours worked	-0.007*** (0.001)	-0.007*** (0.001)	-0.006*** (0.001)	-0.004*** (0.001)	-0.004*** (0.001)	-0.002*** (0.002)	-0.009*** (0.002)	-0.009*** (0.002)	-0.008*** (0.002)
Manager (d)	0.141*** (0.021)	0.133*** (0.020)	0.135*** (0.021)	0.163*** (0.033)	0.152*** (0.029)	0.157*** (0.030)	0.114*** (0.027)	0.109*** (0.026)	0.103*** (0.027)
Elementary work (d)	-0.061** (0.031)	-0.047*** (0.033)	-0.036*** (0.033)	-0.045*** (0.047)	-0.026*** (0.053)	-0.029*** (0.051)	-0.055*** (0.042)	-0.044*** (0.039)	-0.029*** (0.042)
Temporary job (d)	-0.162*** (0.018)	-0.153*** (0.021)	-0.179*** (0.019)	-0.174*** (0.041)	-0.164*** (0.039)	-0.190*** (0.048)	-0.146*** (0.039)	-0.137*** (0.044)	-0.163*** (0.042)
Age	-0.111*** (0.006)	-0.107*** (0.006)	-0.108*** (0.008)	-0.126*** (0.012)	-0.121*** (0.011)	-0.122*** (0.013)	-0.097*** (0.004)	-0.096*** (0.005)	-0.095*** (0.005)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)

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Response variable	All-basic			All-friend			All-trust			Men-basic			Men-friend			Men-trust			Women-basic			Women-friend			Women-trust		
Life satisfaction	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
Female (d)	0.111*** (0.037)	0.089** (0.040)	0.098*** (0.033)																								
Has a child (d)	0.084*** (0.031)	0.082*** (0.031)	0.090*** (0.029)	0.109** (0.044)	0.110** (0.044)	0.111*** (0.042)	-0.004 (0.036)	0.006 (0.036)	0.004 (0.035)																		
Female x child (d)	-0.065 (0.044)	-0.054 (0.045)	-0.062 (0.043)																								
Married (d)	0.439*** (0.012)	0.413*** (0.011)	0.442*** (0.014)	0.393*** (0.033)	0.362*** (0.028)	0.399*** (0.035)	0.454*** (0.026)	0.433*** (0.026)	0.452*** (0.021)																		
Widow (d)	-0.295*** (0.044)	-0.276*** (0.042)	-0.270*** (0.037)	-0.293** (0.115)	-0.266** (0.115)	-0.176 (0.125)	-0.270*** (0.045)	-0.249*** (0.045)	-0.268*** (0.039)																		
Primary education (d)	-0.048 (0.060)	-0.025 (0.060)	-0.019 (0.060)	0.015 (0.110)	0.034 (0.108)	0.035 (0.120)	-0.135* (0.073)	-0.105 (0.085)	-0.093 (0.081)																		
Tertiary education (d)	0.093*** (0.030)	0.090*** (0.030)	0.025 (0.029)	0.079** (0.039)	0.077* (0.040)	0.018 (0.037)	0.107*** (0.026)	0.101*** (0.026)	0.030 (0.028)																		
Health limit (d)	-0.565*** (0.062)	-0.555*** (0.060)	-0.524*** (0.058)	-0.571*** (0.061)	-0.561*** (0.061)	-0.526*** (0.065)	-0.558*** (0.079)	-0.546*** (0.077)	-0.520*** (0.072)																		
Owner of dwelling (d)	0.181*** (0.028)	0.179*** (0.026)	0.167*** (0.031)	0.146*** (0.034)	0.146*** (0.034)	0.130*** (0.039)	0.209*** (0.027)	0.204*** (0.025)	0.197*** (0.029)																		
Bad living conditions (d)	-0.230*** (0.035)	-0.226*** (0.033)	-0.198*** (0.034)	-0.211*** (0.027)	-0.205*** (0.026)	-0.178*** (0.023)	-0.250*** (0.045)	-0.246*** (0.042)	-0.217*** (0.046)																		
Crime in neighborhood (d)	-0.185*** (0.021)	-0.180*** (0.023)	-0.135*** (0.020)	-0.221*** (0.022)	-0.217*** (0.024)	-0.169*** (0.019)	-0.147*** (0.029)	-0.141*** (0.030)	-0.101*** (0.029)																		
Observations	139,752	139,690	138,027	67,237	67,208	66,370	72,615	72,482	71,657																		
Pseudo R^2	0.060	0.064	0.074	0.056	0.060	0.070	0.064	0.068	0.079																		

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 32: Gender differences in happiness - Ordered logit - Happiness index

Response variable	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ln(income)	0.036** (0.015)	0.032* (0.017)	0.026* (0.014)	0.021 (0.024)	0.014 (0.024)	0.019 (0.026)	0.046** (0.017)	0.045** (0.017)	0.031* (0.017)
Friend (d)		1.088*** (0.087)			0.977*** (0.082)			1.236*** (0.114)	
Trust others (0-10)			0.170*** (0.014)			0.161** (0.013)			0.179*** (0.019)
Pay unexpected expenses (d)	-0.232*** (0.026)	-0.220*** (0.027)	-0.197*** (0.024)	-0.222*** (0.035)	-0.208*** (0.034)	-0.189*** (0.038)	-0.242*** (0.042)	-0.230*** (0.043)	-0.204*** (0.029)
Pay meat meal (d)	-0.298*** (0.031)	-0.259*** (0.036)	-0.251*** (0.032)	-0.230*** (0.043)	-0.203*** (0.041)	-0.168*** (0.044)	-0.349*** (0.037)	-0.295*** (0.046)	-0.315*** (0.032)
Great difficulty EM (d)	-1.149*** (0.082)	-1.131*** (0.082)	-1.076*** (0.083)	-1.121*** (0.090)	-1.101*** (0.083)	-1.065*** (0.087)	-1.180*** (0.085)	-1.167*** (0.091)	-1.089*** (0.091)
Difficulty EM (d)	-0.702*** (0.065)	-0.676*** (0.060)	-0.650*** (0.063)	-0.666*** (0.075)	-0.638*** (0.066)	-0.618*** (0.073)	-0.736*** (0.060)	-0.713*** (0.059)	-0.680*** (0.058)
Some difficulty EM (d)	-0.405*** (0.057)	-0.392*** (0.051)	-0.371*** (0.050)	-0.388*** (0.067)	-0.374*** (0.057)	-0.348*** (0.061)	-0.422*** (0.055)	-0.411*** (0.053)	-0.395*** (0.051)
Hours worked	-0.007*** (0.001)	-0.006*** (0.001)	-0.006*** (0.001)	-0.007*** (0.002)	-0.007*** (0.002)	-0.006*** (0.001)	-0.008*** (0.001)	-0.008*** (0.001)	-0.007*** (0.001)
Manager (d)	0.019 (0.027)	0.010 (0.025)	0.014 (0.027)	0.017 (0.041)	0.007 (0.037)	0.015 (0.040)	0.024 (0.032)	0.019 (0.032)	0.013 (0.032)
Elementary work (d)	-0.097*** (0.033)	-0.081*** (0.029)	-0.075*** (0.028)	-0.030 (0.040)	-0.008 (0.034)	-0.017 (0.043)	-0.118*** (0.045)	-0.106*** (0.040)	-0.095*** (0.041)
Temporary job (d)	-0.089*** (0.019)	-0.079*** (0.021)	-0.097*** (0.021)	-0.102*** (0.043)	-0.094*** (0.048)	-0.104*** (0.044)	-0.086*** (0.042)	-0.075*** (0.038)	-0.099*** (0.044)
Age	-0.069*** (0.005)	-0.065*** (0.006)	-0.065*** (0.006)	-0.080*** (0.009)	-0.074*** (0.009)	-0.076*** (0.010)	-0.057*** (0.008)	-0.055*** (0.008)	-0.054*** (0.008)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)

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Response variable	All-basic	All-friend	All-trust	Men-basic	Men-friend	Men-trust	Women-basic	Women-friend	Women-trust
Happiness index	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Female (d)	-0.397*** (0.051)	-0.427*** (0.052)	-0.416*** (0.048)						
Has a child (d)	-0.017 (0.030)	-0.023 (0.030)	-0.012 (0.028)	0.019 (0.029)	0.015 (0.029)	0.022 (0.028)	-0.047** (0.024)	-0.039 (0.024)	-0.044** (0.021)
Female x child (d)	-0.004 (0.036)	0.008 (0.035)	-0.005 (0.036)						
Married (d)	0.132*** (0.021)	0.106*** (0.023)	0.122*** (0.020)	0.116*** (0.028)	0.087*** (0.026)	0.108*** (0.027)	0.134*** (0.036)	0.111*** (0.038)	0.120*** (0.032)
Widow (d)	-0.265*** (0.045)	-0.245*** (0.049)	-0.230*** (0.042)	-0.304*** (0.090)	-0.263*** (0.098)	-0.236*** (0.056)	-0.261*** (0.050)	-0.243*** (0.053)	-0.236*** (0.052)
Primary education (d)	-0.080 (0.084)	-0.050 (0.084)	-0.044 (0.086)	-0.017 (0.108)	0.012 (0.106)	0.020 (0.123)	-0.169 (0.110)	-0.136 (0.120)	-0.130 (0.110)
Tertiary education (d)	-0.014 (0.023)	-0.016 (0.024)	-0.073*** (0.019)	-0.042* (0.025)	-0.040 (0.024)	-0.092*** (0.025)	0.009 (0.040)	0.001 (0.039)	-0.060* (0.036)
Health limit (d)	-0.756*** (0.054)	-0.741*** (0.051)	-0.720*** (0.050)	-0.787*** (0.034)	-0.775*** (0.030)	-0.751*** (0.032)	-0.734*** (0.076)	-0.715*** (0.076)	-0.698*** (0.070)
Owner of dwelling (d)	0.010 (0.025)	0.004 (0.023)	-0.002 (0.021)	-0.006 (0.030)	-0.011 (0.030)	-0.017 (0.028)	0.021 (0.027)	0.014 (0.025)	0.008 (0.026)
Bad living conditions (d)	-0.249*** (0.019)	-0.245*** (0.019)	-0.224*** (0.019)	-0.215*** (0.031)	-0.211*** (0.029)	-0.190*** (0.034)	-0.285*** (0.029)	-0.281*** (0.028)	-0.261*** (0.027)
Crime in neighborhood (d)	-0.204*** (0.022)	-0.197*** (0.023)	-0.156*** (0.025)	-0.255*** (0.025)	-0.251*** (0.022)	-0.207*** (0.027)	-0.155*** (0.047)	-0.146*** (0.046)	-0.108*** (0.051)
Observations	136,752	136,534	135,106	65,560	65,543	64,829	71,012	70,991	70,277
Pseudo R^2	0.035	0.039	0.042	0.031	0.035	0.038	0.035	0.039	0.043

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 33: Difference in SWB between age cohorts - Life satisfaction (OLS)

Life satisfaction	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
ln(income)	0.006 (0.021)	0.095** (0.037)	0.064** (0.026)	0.127*** (0.028)	0.048 (0.041)	0.089*** (0.022)
Pay unexpected expenses (d)	-0.200*** (0.027)	-0.261*** (0.042)	-0.263*** (0.025)	-0.264*** (0.048)	-0.330*** (0.052)	-0.254*** (0.021)
Pay meat meal (d)	-0.273*** (0.092)	-0.424*** (0.092)	-0.373*** (0.071)	-0.411*** (0.108)	-0.301 (0.267)	-0.374*** (0.066)
Great difficulty EM (d)	-0.963*** (0.158)	-1.183*** (0.119)	-1.389*** (0.124)	-1.220*** (0.135)	-1.634*** (0.197)	-1.235*** (0.116)
Difficulty EM (d)	-0.706*** (0.105)	-0.797*** (0.087)	-0.837*** (0.075)	-0.824*** (0.070)	-0.916*** (0.143)	-0.797*** (0.075)
Some difficulty EM (d)	-0.371*** (0.056)	-0.410*** (0.072)	-0.474*** (0.059)	-0.470*** (0.090)	-0.538*** (0.116)	-0.438*** (0.062)
Hours worked	0.002 (0.002)	-0.006** (0.003)	-0.004*** (0.002)	-0.008*** (0.002)	-0.004 (0.003)	-0.005*** (0.001)
Manager (d)	0.008 (0.051)	0.048 (0.036)	0.153*** (0.026)	0.120*** (0.017)	0.174*** (0.049)	0.105*** (0.019)
Elementary work (d)	-0.098 (0.087)	-0.175*** (0.044)	-0.106** (0.048)	0.124* (0.068)	0.100 (0.087)	-0.044 (0.028)
Temporary job (d)	-0.057 (0.073)	-0.187*** (0.040)	-0.118** (0.054)	-0.148*** (0.034)	-0.158*** (0.057)	-0.146*** (0.020)
Female (d)	0.056 (0.045)	0.117 (0.076)	0.052* (0.031)	0.021 (0.052)	-0.037 (0.090)	0.065* (0.033)
Has a child (d)	0.060 (0.064)	0.237*** (0.063)	0.109*** (0.026)	-0.077* (0.041)	-0.085 (0.096)	0.075*** (0.025)
Female x child (d)	-0.083 (0.056)	-0.117 (0.082)	-0.024 (0.035)	-0.035 (0.078)	0.092 (0.093)	-0.048 (0.045)
Married (d)	0.360*** (0.074)	0.208*** (0.024)	0.360*** (0.032)	0.364*** (0.035)	0.189** (0.080)	0.339*** (0.015)
Widow (d)	0.220 (0.243)	-0.871*** (0.168)	-0.030 (0.111)	-0.285*** (0.068)	-0.265* (0.149)	-0.240*** (0.037)
Primary education (d)	0.114 (0.098)	-0.087 (0.134)	0.019 (0.037)	0.010 (0.072)	-0.082 (0.210)	-0.050 (0.061)
Tertiary education (d)	0.026 (0.055)	0.122*** (0.043)	0.016 (0.030)	0.123*** (0.029)	0.099 (0.064)	0.080*** (0.022)
Health limit (d)	-0.387*** (0.106)	-0.440*** (0.075)	-0.495*** (0.055)	-0.551*** (0.061)	-0.493*** (0.044)	-0.492*** (0.054)
Owner of dwelling (d)	0.196*** (0.043)	0.105** (0.046)	0.121*** (0.035)	0.135*** (0.039)	0.024 (0.105)	0.137*** (0.024)
Bad living conditions (d)	-0.160*** (0.037)	-0.160** (0.060)	-0.207*** (0.028)	-0.162*** (0.032)	-0.246*** (0.052)	-0.184*** (0.027)
Crime in neighborhood (d)	-0.138*** (0.026)	-0.170*** (0.032)	-0.184*** (0.023)	-0.156*** (0.055)	-0.226*** (0.076)	-0.170*** (0.022)
Friend (d)	0.888*** (0.100)	1.001*** (0.144)	1.024*** (0.121)	0.811*** (0.166)	0.777*** (0.123)	0.919*** (0.122)
Constant	7.256*** (0.167)	6.519*** (0.288)	6.475*** (0.228)	6.133*** (0.338)	7.143*** (0.550)	8.670*** (0.253)

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Life satisfaction	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
Country FE	yes	yes	yes	yes	yes	yes
Observations	18,818	33,280	41,957	36,912	8,723	139,690
R^2	0.145	0.212	0.244	0.240	0.277	0.224

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 34: Difference in SWB between age cohorts - Happiness index (OLS)

Happiness index	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
ln(income)	0.007 (0.034)	0.014 (0.032)	0.052* (0.027)	-0.005 (0.024)	0.016 (0.044)	0.026* (0.013)
Friend (d)	0.818*** (0.212)	1.280*** (0.129)	1.082*** (0.105)	1.002*** (0.064)	0.859*** (0.094)	1.057*** (0.079)
Pay unexpected expenses (d)	-0.175*** (0.028)	-0.275*** (0.026)	-0.152*** (0.047)	-0.190*** (0.038)	-0.302*** (0.073)	-0.209*** (0.022)
Pay meat meal (d)	-0.051 (0.121)	-0.322*** (0.087)	-0.315*** (0.070)	-0.297*** (0.079)	-0.207 (0.130)	-0.257*** (0.035)
Great difficulty EM (d)	-0.895*** (0.154)	-1.051*** (0.107)	-1.164*** (0.100)	-1.094*** (0.067)	-1.067*** (0.266)	-1.060*** (0.077)
Difficulty EM (d)	-0.567*** (0.070)	-0.578*** (0.055)	-0.653*** (0.105)	-0.648*** (0.026)	-0.681*** (0.123)	-0.606*** (0.047)
Some difficulty EM (d)	-0.329*** (0.037)	-0.316*** (0.054)	-0.369*** (0.077)	-0.359*** (0.044)	-0.281*** (0.071)	-0.336*** (0.038)
Hours worked	-0.003** (0.001)	-0.005** (0.002)	-0.008*** (0.002)	-0.005*** (0.001)	-0.002 (0.003)	-0.006*** (0.001)
Manager (d)	-0.131** (0.052)	-0.038 (0.045)	0.079*** (0.025)	0.045* (0.025)	0.029 (0.064)	0.009 (0.022)
Elementary work (d)	-0.184* (0.102)	-0.078 (0.065)	-0.112* (0.061)	0.004 (0.073)	0.063 (0.063)	-0.072** (0.027)
Temporary job (d)	-0.100** (0.044)	-0.083** (0.040)	-0.050 (0.038)	-0.032 (0.076)	-0.141 (0.119)	-0.079*** (0.026)
Female (d)	-0.435*** (0.072)	-0.285*** (0.051)	-0.327*** (0.053)	-0.447*** (0.087)	-0.395*** (0.058)	-0.373*** (0.049)
Female x child (d)	0.087 (0.098)	-0.165* (0.083)	-0.025 (0.054)	0.047 (0.048)	0.156 (0.125)	-0.008 (0.038)
Has a child (d)	-0.117** (0.048)	0.135** (0.060)	0.037 (0.043)	-0.105** (0.041)	-0.130 (0.094)	-0.011 (0.024)
Married (d)	0.073 (0.056)	0.075* (0.041)	0.110** (0.045)	0.076*** (0.027)	0.076 (0.118)	0.098*** (0.020)
Widow (d)	-0.181 (0.554)	-0.769*** (0.189)	-0.043 (0.131)	-0.293*** (0.054)	-0.185 (0.169)	-0.236*** (0.038)
Primary education (d)	0.276 (0.240)	-0.125 (0.204)	0.051 (0.043)	0.033 (0.108)	-0.330*** (0.094)	-0.048 (0.073)
Tertiary education (d)	0.015 (0.032)	0.060 (0.058)	-0.075*** (0.026)	0.046 (0.029)	-0.056 (0.038)	0.010 (0.019)
Health limit (d)	-0.710***	-0.781***	-0.683***	-0.728***	-0.655***	-0.719***

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Happiness index	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
	(0.055)	(0.102)	(0.046)	(0.026)	(0.078)	(0.040)
Owner of dwelling (d)	0.104**	-0.056	-0.041**	-0.022	0.009	-0.007
	(0.039)	(0.063)	(0.020)	(0.047)	(0.097)	(0.019)
Bad living conditions (d)	-0.195***	-0.206***	-0.224***	-0.185***	-0.156**	-0.208***
	(0.035)	(0.041)	(0.029)	(0.016)	(0.065)	(0.017)
Crime in neighborhood (d)	-0.189***	-0.216***	-0.182***	-0.141*	-0.180**	-0.187***
	(0.023)	(0.030)	(0.027)	(0.071)	(0.088)	(0.020)
Constant	7.452***	6.882***	6.769***	7.265***	7.230***	8.261***
	(0.310)	(0.256)	(0.190)	(0.268)	(0.372)	(0.215)
Observations	18,468	32,610	41,001	35,954	8,501	136,534
R^2	0.136	0.188	0.187	0.204	0.251	0.187
Adjusted R^2	0.134	0.187	0.186	0.203	0.246	0.187

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 35: Difference in SWB between age cohorts - Life satisfaction (Oprobit)

Life satisfaction	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
ln(income)	0.000	0.066***	0.035**	0.077***	0.023	0.055***
	(0.014)	(0.022)	(0.016)	(0.015)	(0.024)	(0.013)
Pay unexpected expenses (d)	-0.129***	-0.179***	-0.166***	-0.163***	-0.206***	-0.162***
	(0.020)	(0.027)	(0.017)	(0.031)	(0.028)	(0.014)
Pay meat meal (d)	-0.147**	-0.226***	-0.188***	-0.218***	-0.153	-0.195***
	(0.064)	(0.049)	(0.041)	(0.067)	(0.147)	(0.041)
Great difficulty EM (d)	-0.605***	-0.731***	-0.841***	-0.689***	-0.878***	-0.736***
	(0.101)	(0.065)	(0.067)	(0.065)	(0.114)	(0.063)
Difficulty EM (d)	-0.484***	-0.549***	-0.571***	-0.525***	-0.594***	-0.534***
	(0.067)	(0.051)	(0.048)	(0.043)	(0.082)	(0.046)
Some difficulty EM (d)	-0.273***	-0.305***	-0.348***	-0.326***	-0.391***	-0.318***
	(0.034)	(0.045)	(0.040)	(0.051)	(0.071)	(0.037)
Hours worked	0.001	-0.004**	-0.003***	-0.005***	-0.002	-0.004***
	(0.002)	(0.002)	(0.001)	(0.001)	(0.002)	(0.001)
Friend (d)	0.547***	0.588***	0.602***	0.468***	0.436***	0.535***
	(0.065)	(0.096)	(0.065)	(0.096)	(0.063)	(0.074)
Manager (d)	-0.000	0.028	0.109***	0.091***	0.137***	0.073***
	(0.040)	(0.021)	(0.018)	(0.016)	(0.033)	(0.012)
Elementary work (d)	-0.079	-0.093***	-0.071**	0.086*	0.103*	-0.022
	(0.054)	(0.020)	(0.029)	(0.046)	(0.055)	(0.016)
Temporary job (d)	-0.038	-0.120***	-0.069**	-0.090***	-0.076*	-0.091***
	(0.049)	(0.022)	(0.033)	(0.021)	(0.042)	(0.013)
Female (d)	0.036	0.074	0.056***	0.015	-0.004	0.048**
	(0.034)	(0.047)	(0.020)	(0.037)	(0.061)	(0.022)
Female x child (d)	-0.040	-0.074	-0.027	-0.020	0.045	-0.030
	(0.041)	(0.052)	(0.021)	(0.054)	(0.071)	(0.027)
Has a child (d)	0.032	0.156***	0.078***	-0.054*	-0.071	0.047**
	(0.045)	(0.042)	(0.016)	(0.030)	(0.067)	(0.018)

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Life satisfaction	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
Married (d)	0.270*** (0.054)	0.161*** (0.013)	0.248*** (0.021)	0.245*** (0.023)	0.139*** (0.050)	0.237*** (0.007)
Widow (d)	0.129 (0.177)	-0.642*** (0.117)	0.011 (0.082)	-0.176*** (0.037)	-0.163* (0.088)	-0.141*** (0.023)
Primary education (d)	0.129** (0.054)	-0.030 (0.075)	0.038 (0.029)	0.020 (0.046)	-0.039 (0.116)	-0.009 (0.033)
Tertiary education (d)	0.013 (0.045)	0.077** (0.034)	0.004 (0.021)	0.072*** (0.021)	0.055 (0.041)	0.048*** (0.017)
Health limit (d)	-0.252*** (0.066)	-0.288*** (0.047)	-0.320*** (0.036)	-0.349*** (0.037)	-0.321*** (0.025)	-0.315*** (0.035)
Owner of dwelling (d)	0.146*** (0.034)	0.076** (0.032)	0.078*** (0.024)	0.091*** (0.020)	0.034 (0.070)	0.095*** (0.014)
Bad living conditions (d)	-0.122*** (0.027)	-0.114*** (0.039)	-0.142*** (0.020)	-0.102*** (0.023)	-0.170*** (0.034)	-0.127*** (0.019)
Crime in neighborhood (d)	-0.100*** (0.023)	-0.100*** (0.019)	-0.105*** (0.013)	-0.101*** (0.033)	-0.130*** (0.048)	-0.105*** (0.014)
Observations	18,818	33,280	41,957	36,912	8,723	139,690
Pseudo R^2	0.040	0.059	0.067	0.066	0.078	

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 36: Difference in SWB between age cohorts - Happiness index (Ordered probit)

Happiness index	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
ln(income)	-0.002 (0.025)	0.013 (0.019)	0.028 (0.018)	-0.007 (0.017)	-0.001 (0.027)	0.014 (0.009)
Pay unexpected expenses (d)	-0.107*** (0.021)	-0.173*** (0.019)	-0.089*** (0.028)	-0.118*** (0.023)	-0.181*** (0.054)	-0.127*** (0.016)
Pay meat meal (d)	-0.034 (0.080)	-0.180*** (0.049)	-0.180*** (0.034)	-0.159*** (0.052)	-0.118 (0.075)	-0.145*** (0.021)
Great difficulty EM (d)	-0.563*** (0.078)	-0.630*** (0.055)	-0.682*** (0.066)	-0.654*** (0.041)	-0.623*** (0.154)	-0.630*** (0.041)
Difficulty EM (d)	-0.378*** (0.041)	-0.364*** (0.034)	-0.404*** (0.065)	-0.400*** (0.023)	-0.431*** (0.068)	-0.379*** (0.029)
Some difficulty EM (d)	-0.227*** (0.024)	-0.205*** (0.034)	-0.233*** (0.049)	-0.231*** (0.034)	-0.194*** (0.048)	-0.218*** (0.025)
Hours worked	-0.002** (0.001)	-0.003** (0.001)	-0.005*** (0.001)	-0.003*** (0.001)	-0.001 (0.002)	-0.004*** (0.001)
Friend (d)	0.486*** (0.127)	0.741*** (0.077)	0.616*** (0.065)	0.570*** (0.043)	0.522*** (0.071)	0.606*** (0.047)
Manager (d)	-0.077** (0.031)	-0.026 (0.027)	0.047*** (0.015)	0.028 (0.018)	0.032 (0.048)	0.006 (0.015)
Elementary work (d)	-0.116* (0.060)	-0.050 (0.037)	-0.056 (0.039)	0.011 (0.049)	0.049 (0.043)	-0.037** (0.015)
Temporary job (d)	-0.073** (0.029)	-0.042 (0.027)	-0.034 (0.025)	-0.014 (0.044)	-0.087 (0.082)	-0.048*** (0.014)

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Happiness index	Age15-29	Age30-39	Age40-49	Age50-59	Age60+	Full
Female (d)	-0.289*** (0.047)	-0.194*** (0.031)	-0.204*** (0.031)	-0.277*** (0.049)	-0.276*** (0.043)	-0.242*** (0.029)
Has a child (d)	-0.064* (0.034)	0.078** (0.036)	0.024 (0.032)	-0.060** (0.024)	-0.111 (0.070)	-0.011 (0.016)
Female x child (d)	0.057 (0.068)	-0.091* (0.048)	-0.018 (0.036)	0.017 (0.028)	0.146* (0.086)	0.000 (0.021)
Married (d)	0.051 (0.040)	0.044* (0.026)	0.066** (0.029)	0.049*** (0.018)	0.041 (0.066)	0.059*** (0.013)
Widow (d)	-0.083 (0.318)	-0.452*** (0.115)	-0.034 (0.082)	-0.160*** (0.032)	-0.121 (0.114)	-0.139*** (0.023)
Primary education (d)	0.195 (0.149)	-0.091 (0.113)	0.034 (0.029)	0.023 (0.063)	-0.201*** (0.044)	-0.028 (0.042)
Tertiary education (d)	-0.005 (0.023)	0.018 (0.039)	-0.056*** (0.018)	0.016 (0.019)	-0.057** (0.026)	-0.008 (0.013)
Health limit (d)	-0.426*** (0.025)	-0.467*** (0.064)	-0.408*** (0.028)	-0.439*** (0.016)	-0.399*** (0.061)	-0.430*** (0.027)
Owner of dwelling (d)	0.067*** (0.021)	-0.030 (0.042)	-0.024* (0.013)	-0.023 (0.029)	0.014 (0.058)	-0.004 (0.013)
Bad living conditions (d)	-0.128*** (0.026)	-0.140*** (0.026)	-0.141*** (0.019)	-0.114*** (0.011)	-0.117*** (0.044)	-0.135*** (0.011)
Crime in neighborhood (d)	-0.132***	-0.126***	-0.100***	-0.088**	-0.097*	-0.112***
Observations	18,468	32,610	41,001	35,954	8,501	136,534
Pseudo R^2	0.028	0.037	0.037	0.042	0.054	0.038

Notes: Based on EU-SILC 2013 data. Sample consists of employees responding in the well-being module. All regressions are weighted by sample weights. Standard errors in parentheses clustered at country-level. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 37: Various quantiles of population - Life satisfaction

Life satisfaction	Q10 (1)	Q25 (2)	Q50 (3)	Q75 (4)	Q90 (5)	OLS (6)
ln(income)	0.223*** (0.026)	0.172*** (0.018)	0.078*** (0.012)	0.029*** (0.011)	-0.007 (0.013)	0.089*** (0.022)
Pay unexpected expenses (d) (unable)	-0.486*** (0.034)	-0.390*** (0.028)	-0.218*** (0.021)	-0.146*** (0.017)	-0.045** (0.019)	-0.254*** (0.021)
Pay meat meal (d) (unable)	-0.519*** (0.084)	-0.387*** (0.049)	-0.396*** (0.041)	-0.264*** (0.039)	-0.206*** (0.032)	-0.374*** (0.066)
Great difficulty EM (d)	-1.901*** (0.102)	-1.483*** (0.056)	-1.110*** (0.052)	-0.864*** (0.032)	-0.792*** (0.039)	-1.235*** (0.116)
Difficulty EM (d)	-0.981*** (0.046)	-0.906*** (0.035)	-0.724*** (0.028)	-0.661*** (0.021)	-0.665*** (0.030)	-0.797*** (0.075)
Some difficulty EM (d)	-0.532*** (0.035)	-0.472*** (0.025)	-0.372*** (0.019)	-0.453*** (0.013)	-0.379*** (0.023)	-0.438*** (0.062)
Hours worked	-0.009*** (0.002)	-0.008*** (0.001)	-0.005*** (0.001)	-0.004*** (0.001)	-0.002* (0.001)	-0.005*** (0.001)
Manager (d)	0.131*** (0.032)	0.126*** (0.022)	0.083*** (0.015)	0.062*** (0.011)	0.053*** (0.017)	0.105*** (0.019)

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Life satisfaction	Q10	Q25	Q50	Q75	Q90	OLS
	(1)	(2)	(3)	(4)	(5)	(6)
Elementary work (d)	-0.098** (0.044)	-0.044 (0.044)	-0.066*** (0.025)	-0.007 (0.025)	-0.014 (0.025)	-0.044 (0.028)
Temporary job (d)	-0.224*** (0.055)	-0.125*** (0.035)	-0.114*** (0.025)	-0.104*** (0.021)	-0.093*** (0.033)	-0.146*** (0.020)
Age	-0.117*** (0.010)	-0.090*** (0.007)	-0.066*** (0.005)	-0.078*** (0.004)	-0.077*** (0.005)	-0.091*** (0.004)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)
Female (d)	0.028 (0.040)	0.065** (0.028)	0.068*** (0.018)	0.059*** (0.017)	0.055*** (0.018)	0.065* (0.033)
Has a child (d)	0.156*** (0.044)	0.079*** (0.029)	0.056*** (0.018)	0.030 (0.019)	0.033 (0.022)	0.075*** (0.025)
Female x child (d)	-0.012 (0.053)	-0.022 (0.037)	-0.040* (0.024)	-0.031 (0.022)	-0.025 (0.026)	-0.048 (0.045)
Married (d)	0.365*** (0.033)	0.360*** (0.022)	0.248*** (0.015)	0.311*** (0.015)	0.308*** (0.017)	0.339*** (0.015)
Widow (d)	-0.261*** (0.076)	-0.334*** (0.080)	-0.285*** (0.062)	-0.233*** (0.044)	-0.112 (0.078)	-0.240*** (0.037)
Primary education (d)	-0.071 (0.067)	-0.107 (0.078)	-0.089* (0.047)	0.045 (0.032)	0.200** (0.088)	-0.050 (0.061)
Tertiary education (d)	0.192*** (0.030)	0.127*** (0.020)	0.069*** (0.013)	0.023* (0.012)	-0.081*** (0.015)	0.080*** (0.022)
Health limit (d)	-0.736*** (0.042)	-0.612*** (0.033)	-0.382*** (0.024)	-0.383*** (0.018)	-0.359*** (0.020)	-0.492*** (0.054)
Owner of dwelling (d)	0.145*** (0.032)	0.161*** (0.023)	0.111*** (0.017)	0.145*** (0.017)	0.087*** (0.017)	0.137*** (0.024)
Bad living conditions (d)	-0.269*** (0.030)	-0.237*** (0.020)	-0.123*** (0.013)	-0.141*** (0.015)	-0.151*** (0.014)	-0.184*** (0.027)
Crime in neighborhood (d)	-0.248*** (0.035)	-0.182*** (0.027)	-0.106*** (0.019)	-0.137*** (0.019)	-0.104*** (0.028)	-0.170*** (0.022)
Friend (d)	1.430*** (0.082)	1.148*** (0.060)	0.907*** (0.044)	0.635*** (0.023)	0.588*** (0.025)	0.919*** (0.122)
Country FE	yes	yes	yes	yes	yes	yes
Constant	6.005*** (0.266)	7.008*** (0.189)	8.348*** (0.129)	10.071*** (0.100)	11.055*** (0.129)	8.670*** (0.253)
Observations	139,690	139,690	139,690	139,690	139,690	139,690
R^2						0.224
Pseudo R^2	0.163	0.175	0.1	0.087	0.063	

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. All regressions are weighted by sample weights. Robust standard errors in parentheses. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

Table 38: Various quantiles of population - Happiness index

Happiness index	Q10	Q25	Q50	Q75	Q90	OLS
	(1)	(2)	(3)	(4)	(5)	(6)
ln(income)	0.071** (0.028)	0.047*** (0.017)	0.054*** (0.015)	0.007 (0.012)	-0.016 (0.018)	0.026* (0.013)
Friend (d)	1.342*** (0.070)	1.287*** (0.044)	1.158*** (0.059)	0.852*** (0.051)	0.588*** (0.058)	1.057*** (0.079)
Pay unexpected expenses (d)	-0.315*** (0.036)	-0.308*** (0.031)	-0.204*** (0.023)	-0.101*** (0.020)	-0.092*** (0.028)	-0.209*** (0.022)
Pay meat meal (d)	-0.277*** (0.060)	-0.322*** (0.052)	-0.241*** (0.042)	-0.227*** (0.033)	-0.128** (0.056)	-0.257*** (0.035)
Great difficulty EM (d)	-1.394*** (0.057)	-1.304*** (0.055)	-1.131*** (0.052)	-0.755*** (0.041)	-0.525*** (0.052)	-1.060*** (0.077)
Difficulty EM (d)	-0.767*** (0.049)	-0.733*** (0.042)	-0.604*** (0.032)	-0.470*** (0.027)	-0.346*** (0.038)	-0.606*** (0.047)
Some difficulty EM (d)	-0.454*** (0.037)	-0.447*** (0.029)	-0.330*** (0.023)	-0.252*** (0.019)	-0.171*** (0.026)	-0.336*** (0.038)
Hours worked	-0.010*** (0.002)	-0.010*** (0.001)	-0.006*** (0.001)	-0.003*** (0.001)	-0.002** (0.001)	-0.006*** (0.001)
Manager (d)	0.039 (0.037)	0.029 (0.027)	-0.012 (0.021)	0.007 (0.016)	0.007 (0.025)	0.009 (0.022)
Elementary work (d)	-0.096* (0.055)	-0.138*** (0.043)	-0.078** (0.037)	-0.066** (0.029)	0.033 (0.041)	-0.072** (0.027)
Temporary job (d)	-0.170*** (0.051)	-0.109** (0.043)	-0.037 (0.030)	-0.072*** (0.025)	-0.045 (0.037)	-0.079*** (0.026)
Age	-0.064*** (0.010)	-0.075*** (0.008)	-0.057*** (0.006)	-0.037*** (0.005)	-0.039*** (0.007)	-0.057*** (0.005)
Age squared	0.001*** (0.000)	0.001*** (0.000)	0.001*** (0.000)	0.000*** (0.000)	0.000*** (0.000)	0.001*** (0.000)
Female (d)	-0.469*** (0.041)	-0.419*** (0.033)	-0.367*** (0.026)	-0.293*** (0.021)	-0.253*** (0.027)	-0.373*** (0.049)
Has a child (d)	-0.018 (0.044)	0.016 (0.035)	-0.015 (0.025)	-0.029 (0.021)	-0.018 (0.033)	-0.011 (0.024)
Female x child (d)	0.031 (0.055)	-0.015 (0.044)	-0.002 (0.034)	0.014 (0.027)	-0.023 (0.039)	-0.008 (0.038)
Married (d)	0.163***	0.130***	0.097***	0.042**	0.037	0.098***

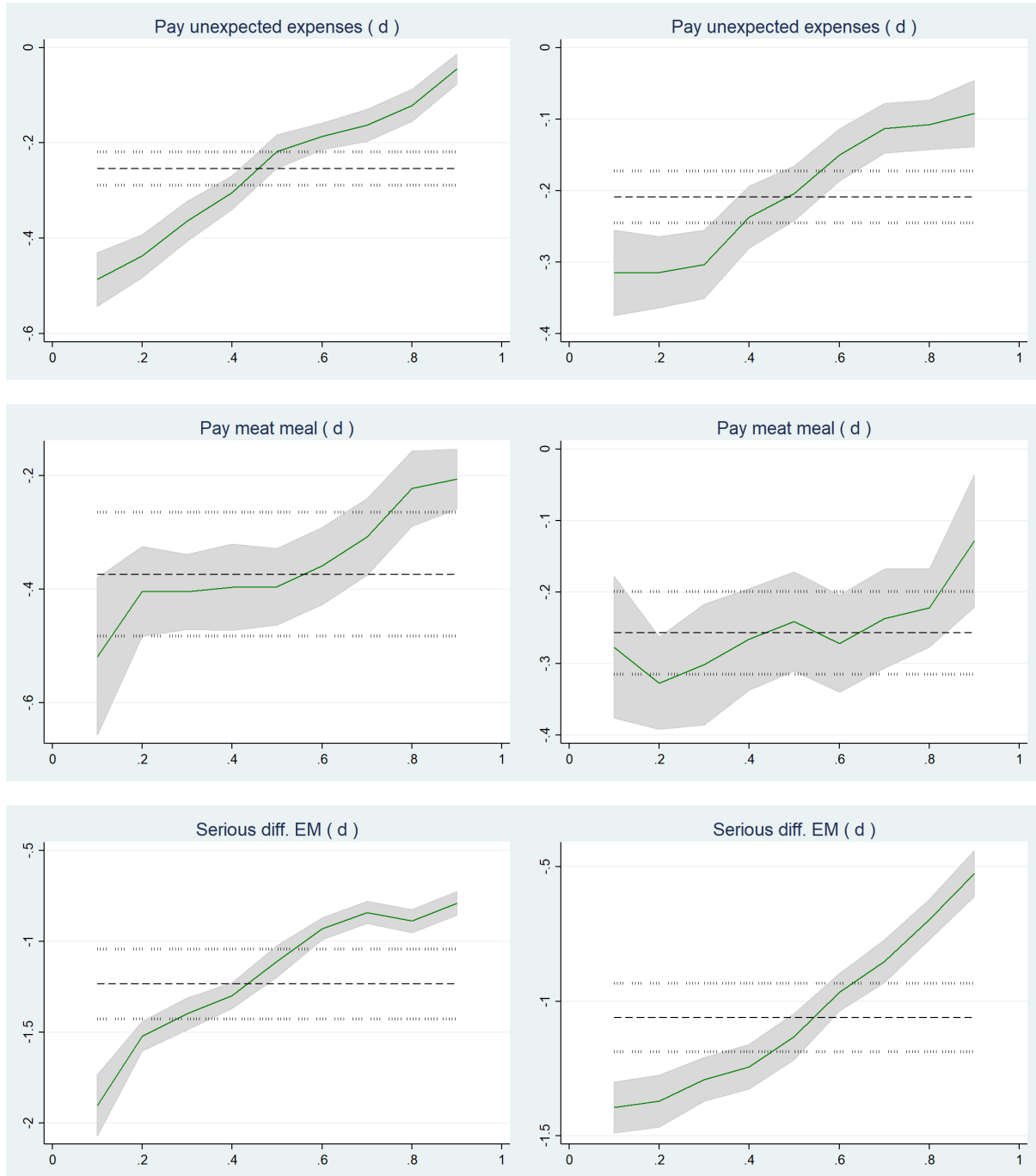
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Happiness index	Q10	Q25	Q50	Q75	Q90	OLS
	(1)	(2)	(3)	(4)	(5)	(6)
	(0.034)	(0.027)	(0.021)	(0.017)	(0.024)	(0.020)
Widow (d)	−0.255** (0.104)	−0.309*** (0.081)	−0.251*** (0.066)	−0.177*** (0.046)	−0.089 (0.075)	−0.236*** (0.038)
Primary education (d)	0.049 (0.087)	−0.082 (0.073)	−0.051 (0.063)	−0.083** (0.037)	0.048 (0.074)	−0.048 (0.073)
Tertiary education (d)	0.133*** (0.034)	0.067*** (0.025)	−0.015 (0.018)	−0.048*** (0.015)	−0.089*** (0.021)	0.010 (0.019)
Health limit (d)	−1.006*** (0.050)	−0.906*** (0.033)	−0.701*** (0.029)	−0.520*** (0.023)	−0.424*** (0.031)	−0.719*** (0.040)
Owner of dwelling (d)	−0.034 (0.036)	−0.015 (0.028)	0.006 (0.020)	0.015 (0.018)	−0.017 (0.026)	−0.007 (0.019)
Bad living conditions (d)	−0.268*** (0.029)	−0.282*** (0.024)	−0.217*** (0.018)	−0.181*** (0.016)	−0.137*** (0.021)	−0.208*** (0.017)
Crime in neighborhood (d)	−0.311*** (0.041)	−0.251*** (0.036)	−0.200*** (0.030)	−0.102*** (0.025)	−0.068** (0.034)	−0.187*** (0.020)
<i>N</i>	136,534	136,534	136,534	136,534	136,534	136,534
pseudo R^2		0.126		0.083		

Notes: Based on EU-SILC 2013 data. Sample consists of employees reporting their life satisfaction. All regressions are weighted by sample weights. Robust standard errors in parentheses. Estimates of country dummy variables not reported. ***, **, and * denote statistical significance at the 1 %, 5 %, and 10 % level.

7 Additional graphs

Figure 11: The income effect on happiness, dependent variable – Life satisfaction left, Happiness Index right



Note: X-axis – quantiles, Y-axis – coefficient size; dashed lines refer to mean effect; 90 % confidence intervals reported.

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