

## Households economic conditions

### Current definitions

#### **Average number of members per household**

It is obtained dividing the total number of household members by the total number of households.

#### **Average per-capita expenditure (household consumption)**

It is obtained dividing total household consumption expenditure by the total number of household members.

#### **Coicop (Classification of Individual Consumption by Purpose)**

Classification of goods and services consumed by households and individuals, by purpose. It is an international standard published by the United Nations Statistics Division, and it represents the classification shared by National Accounts and consumer price statistics.

#### **Equivalent expenditure**

It is obtained dividing the value of household consumption expenditure by the equivalence scale coefficient..

#### **Household consumption**

It includes all goods and services purchased or self-consumed by households to meet their needs. Goods from vegetable gardens or farms, goods and services provided by employers to employees as a salary, imputed rent for owner-occupied or free of charge houses and for secondary houses are also included.

#### **Household consumption expenditure**

Residing households expenditure to purchase goods and services exclusively devoted to meet their needs; self-consumptions, presents and self-defined imputed rentals.

#### **Imputed rent**

Households living in a house of their property or they hold in usufruct or free of charge and households owning secondary houses are asked to evaluate the monthly rent they could gain by renting the dwellings.

#### **International Standard of Poverty Line (ISPL):**

it is the consumption expenditure level below which a household is defined as relatively poor.

The poverty line, set for a two-member household, is equal to the monthly mean per-capita consumption expenditure in the country, and it is obtained dividing the total consumption expenditure of all residing households by the total number of their members. A two-member household with a monthly consumption expenditure level lower or equal to the poverty line is defined as poor.

For different household sizes the value of the poverty line is obtained using an equivalence scale, to take into account the economies/diseconomies of scale that can be achieved in bigger/smaller households. For Italy, the *Carbonaro* equivalence scale is used, that assigns a unitary weight to a two-member household.

Household size	Equivalence scale (coefficients)
1	0,60
2	1,00
3	1,33
4	1,63
5	1,90
6	2,16
7 or more	2,40

### Occupational condition

Individual condition in the labour market:

- *employed*: all those aged 15 years and over who declare to have a job;
- *jobseekers* (unemployed people, aged 15-74 years, who declare they are looking for the first or a new job);
- *inactive*: all those who are not part of the labour force, i.e. people not classified as employed or jobseekers. In the Household Budget Survey are included retired, housewives, students and all not occupied people who are not looking for a job.

### Professional condition

Defined on the basis of the level of independence and/or responsibility and of the function carried out by each person performing an economic activity in relation to the local unit in which the activity itself takes place. Conditions are grouped into:

- *employees*, who carry out their working in a legal-economic unit and who are registered in company or institution payrolls, even if responsible for its management. The following are considered employees:
  - full or part-time managers, clerks and workers;
  - apprentices;
  - at home workers registered in payrolls;
  - seasonal workers;
  - workers with a training contract;
  - workers with a fixed-term contract;
  - wage guarantee fund workers;
  - cooperative members registered in payrolls.
  - students who have formally committed to contribute to the production process against payment and/or training.

Those with contracts for continuative and coordinated services or with project-based contracts are not considered employees.
- *self-employed workers*, who carry out their work in a legal-economic unit without any form of subordination. According to enterprise costs, the following are considered self-employed:
  - company or institution owners, partners and managers on condition that they really work in the company or institution, are not registered in payrolls, are not paid by invoice and do not have a contract for continuative and coordinated services;
  - cooperative members who really work in the company and are not registered in payrolls;
  - owner's or owners' relatives or household members who work without any prefixed wage and social security contributions.

**Poverty incidence**

Ratio between the number of households with a monthly consumption expenditure lower than or equal to the poverty line and the total number of residing households.

**Poverty intensity**

Average percentage distance of the equivalent consumption expenditure of poor households from the poverty line. This index measures the gravity of the poverty situation of poor households.

**Reference person**

The holder of the registry form with respect to whom household members relationships are defined; it has replaced the “head of the household” concept.

**Reference units** De facto household, defined as a group of people living together in the same dwelling, who are related by legal relationship (blood, marriage, adoption or guardianship) or affective ties and share (in part or entirely) incomes and expenditures.