

# 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 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.

### **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.

### **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.

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.

In the Household Budget Survey, those who, by a work contract, are "bound to provide, under compensation, a work or a service, mainly by their own work and without any form of subordination to the customer" (art. 2222 of the Italian Civil Code) are also considered *self-employed*. Methods, place and time of service or work performing depend exclusively on the worker himself.

In the Labour Force Survey, those with a contract for continuative and coordinated services or with a project-based contract and occasional workman are classified as self-employed.

### **Relative 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. This index expresses the share of households living in poverty.

### **Relative 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.