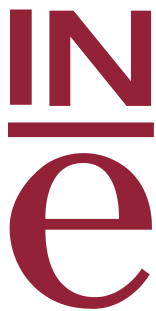


INSTITUTO NACIONAL DE ESTADISTICA



# Living Conditions Survey

Methodology

Madrid, 2005 (Revised in 2023)

# Index

<b>1</b>	<b>Introduction</b>	<b>6</b>
<b>2</b>	<b>Background</b>	<b>9</b>
<b>3</b>	<b>Objectives</b>	<b>11</b>
<b>4</b>	<b>Alternatives in the design</b>	<b>16</b>
4.1	Alternatives to the design of a survey	16
4.2	Alternatives to the design of the LCS	17
4.3	The integrated design	19
<b>5</b>	<b>Sampling and analysis units</b>	<b>21</b>
5.1	Sampling units	21
5.2	Analysis units	21
<b>6</b>	<b>Monitoring households and persons</b>	<b>22</b>
6.1	Household dynamics	22
6.2	Incidents in households	24
6.3	Monitoring rules	26
<b>7</b>	<b>Investigation scope</b>	<b>28</b>
7.1	Population scope	28
7.2	Geographical scope	28
7.3	Time scope	28
<b>8</b>	<b>Design of the sample</b>	<b>29</b>
8.1	Type of sampling	29
8.2	Sample scope. Allocation	29
8.3	Sample selection	30

8.4	Rotation shifts	30
8.5	Estimators in the first year of the survey. Year 2004	31
8.6	Estimators for 2005 and subsequent years	35
<b>9</b>	<b>Concepts and definitions</b>	<b>38</b>
9.1	Dwellings and types	38
9.2	Household and types	39
9.3	Member of a private household	41
9.4	Persons and types	42
<b>10</b>	<b>Fundamental characteristics under study</b>	<b>44</b>
10.1	Introduction	44
10.2	Wage-earner's income	44
10.3	Income of freelance workers	47
10.4	Imputed rent	49
10.5	Property income	50
10.6	Current transfers received	50
10.7	Other income received	57
10.8	Payment of interests	58
10.9	Paid current transfers	58
10.10	Gross income and total disposable income of the household	60
10.11	Summary chart of the income and its components	64
<b>11</b>	<b>Identification characteristics</b>	<b>66</b>
11.1	Province	66
11.2	Section order number	66
11.3	Personal number	66
11.4	Household identification number	66

11.5 Person identification number.	66
<b>12 Other characteristics researched in the survey</b>	<b>68</b>
A Household variables	68
12.1 Basic household information	68
12.2 Delayed payments either related to the dwelling or not	68
12.3 Non-monetary indicators of the deprivations of the household, including problems to make ends meet, level of debt and lack of access to essential goods	69
12.4 Physical and social environment (a partir de la reforma de 2021 se deja de recoger en el núcleo anual)	70
12.5 Type of dwelling, tenancy regime (rented, owned), conditions of the dwelling	70
12.6 Dwelling expenses	73
12.7 Facilities of the dwelling (a partir de la reforma de 2021 se deja de recoger)	74
B. Variables referred to all household members	75
12.8 Demographic information	75
C. Variables related to household members aged 12 years old or under	76
12.9 Nursery and childcare services	76
D. Variables related to the adult household members	78
12.10 Demographic information	78
12.11 Education, including highest level obtained (according to NCED)	78
12.12 Basic data on the current labour situation and the current job itself, including information on the last main job when referring to unemployed persons	79

12.13	Basic information on the employment situation during the year prior to the interview	81
12.14	Detailed employment information	81
12.15	Previous activities	84
12.16	Calendar of activities during the year prior to the interview	84
12.17	Health, including state of health and chronic disease or situation	85
12.18	Access to health assistance	85
E.	Variables that refer to incidents during fieldwork	86
12.19	Households	86
12.20	Persons	88
<b>13</b>	<b>Collection of the information</b>	<b>90</b>
13.1	Collection method	90
13.2	Documentation used	90
13.3	Organisation of the fieldwork.	92
<b>14</b>	<b>Analysis and dissemination</b>	<b>96</b>
14.1	Analysis	96
14.2	Dissemination	96
<b>15</b>	<b>Definition of indicators</b>	<b>98</b>
15.1	Average household income	98
15.2	Risk of poverty	98
15.3	Material deprivation	99
15.4	Risk of poverty or social exclusion (Europe 2020 strategy)	99
15.5	Risk of poverty or social exclusion (Europe 2020 objective)	100

# 1 Introduction

The “European Statistics on Income and Living Conditions” (EU-SILC) is one of the statistical operations that have been harmonised for EU countries.

The annual Social Statistics Directors meeting, staged on June 13th and 14th 1999, endorsed the replacement of the European Union Household Panel (EUHP), as of 2002, with another survey that adapted its contents to the new needs for information of the public and private institutions. The decision was based on the need to update the statistical source in view of new political demands and the convenience of improving the quality of the information, especially as regards the calendar stipulating the deadlines when data should be available.

The main goal of the LCS is to provide a reference source on comparative statistics on the distribution of income and social exclusion in the European environment.

Although the data refer to both the transversal and longitudinal dimension, priority is granted to the production of high-quality transversal data as regards punctuality and comparability.

The advantages of this double approach, when using a panel-type statistical source, far compensate the relatively low net increase of the cost: specifically, the first year of the survey (2004) involves no additional cost on the traditional modality of the transversal survey.

The longitudinal component allows the survey to follow the same persons over a period of time, studying the changes produced in their lives when the conditions and socio-economic policies are modified, and how they react to these changes. Since the efficiency of the political measures is very influenced by the manner in which the interested parties react to them, the LCS will provide extremely relevant information on the effects of the socio-economic policies in the framework of the Single Market.

This statistical investigation is flexible as regards the sources used. The European Union Statistical Office (Eurostat) firmly recommends the use of statistical sources pre-existing in the national sphere, regardless of whether these sources are sampling surveys or they are based on administrative registers. In the Spanish case, as there is no data source that responds to the needs set out, we have decided to carry out a survey.

The LCS started in 2004 (in some countries it started later and in others it commenced in 2003) and the resulting microdata files (transversal and longitudinal) will be generated with an annual periodicity. As of 2005, additional modules will be introduced in the transversal component concerning issues that are considered to be especially relevant, which may be repeated every four or more years.

This statistical operation is legally supported by the ensemble of Regulations published in the Official Gazette of the European Union, establishing the commitments taken on by the Member States and Eurostat. The following Regulations have been endorsed until 2005:

- Regulation of the European Parliament and of the Council (EC) dated 16 June 2003, concerning Community statistics on income and living conditions (EU-SILC).
- Commission Regulation (EC) dated 7th November 2003, as regards the list of primary target variables.

- Commission Regulation (EC) dated 21st October 2003 as regards sampling and tracing rules:
- Commission Regulation (EC) dated 21st October 2003 as regards fieldwork aspects and imputation procedures
- Commission Regulation (EC) dated 21st October 2003 as regards definitions and updated definitions.
- Commission Regulation (EC) dated 5th January 2004 as regards the detailed content of intermediate and final quality reports.
- Commission Regulation (EC) dated 6th January 2004 as regards the list of secondary target variables related to the “intergenerational transmission of poverty”.
- Commission Regulation (EC) dated 6th January 2005 as regards the list of secondary target variables related to the “social participation”.

The Regulation of the European Parliament and of the Council concerning Community statistics on income and living conditions (EU-SILC) provides the legal support for the LCS. This regulation defines the objectives of the new statistical instrument, the areas it includes, the time reference, the data availability calendar and some quality requirements such as effective sample size. It clearly establishes the responsibilities of the Member States and of Eurostat, which will unquestionably benefit the quality of the new instrument.

Whilst the Parliament and the Council framework regulation identifies the areas to be investigated and other aspects, other Commission regulations detail the target variables the statistical source has to cover, the aspects related to the sampling, to the fieldwork, the definitions to be used, secondary areas and the content of the quality reports, which allows greater flexibility as regards possible modifications of the variables, the introduction of modules that are required at a specific moment in time, the updating of definitions, etc.

In 2021, **a reform of the survey** was carried out, replacing the initial framework Regulation of 2003 by Regulation (EU) 2019/1700 of the European Parliament and of the Council of October 10, 2019, which establishes a common framework for European statistics relating to persons and households, based on individual data collected from samples.

The new regulations reduce the core of the survey, and expand the area of rotating annual modules. As of the 2021 survey, the annual modules follow this scheme, in which some modules are introduced every 3 years, and others every 6 years:

<b>Núcleo anual</b>	<b>Año</b>	<b>Módulo. Cada 3 años</b>	<b>Módulo. Cada 6 años</b>
Ingresos Carencia material Actividad económica Inform. Demográfica Educación Cuidado de niños Gastos de la vivienda Salud Calidad de vida Varios	1	Infancia	<i>Necesidades nuevas de información 1</i>
	2	Salud	Calidad de vida
	3	Trabajo y condiciones de la vivienda	Transmisión intergeneracional de la pobreza y dificultades acceso vivienda. <i>Necesidades nuevas de información 2</i>
	4	Infancia	Acceso a los servicios
	5	Salud	<i>Necesidades nuevas de información 3</i>
	6	Trabajo y condiciones de la vivienda	Sobreendeudamiento, riqueza y consumo



## 2 Background

The LCS is a new source of statistical information in the Community environment that strengthens the current European statistical infrastructure in order to respond to the Commission's needs to obtain initial information on the distribution of income and social exclusion in Europe, and acts as a base for the formulation of its social policy in different spheres, and to monitor the effects of these policies in the whole of the European Union (EU).

Different political institutions have requested statistics on income and living conditions and, more specifically, on poverty and social exclusion indicators. Thus, articles 136, 137 and 285 of the Amsterdam Treaty establish that statistics on income, living conditions and social exclusion should be envisaged in the framework of the EU-SILC.

Furthermore, the conclusions of the European Council meetings held in Lisbon (March 2000), Nice (December 2000), Stockholm (March 2001) and Laeken (December 2001) boosted the policy for the eradication of poverty and requested the Commission to promote a greater understanding of social exclusion, via permanent dialogue and exchanges of information and better practices in accordance with the indicators commonly considered to measure the progress made.

In this framework, the Commission developed the "Community action programme encouraging the cooperation between Member States to combat social exclusion", which was presented to the European Parliament and Council in 2000 to promote the "collection and dissemination of statistics that are comparable in all Member States and all the Community environment". European Commission communication (COM 2000) No. 594 on structural indicators follows the same guidelines: to include indicators on inequalities in the distribution of income, poverty rates before and after considering social transferences and poverty persistence rate, with a high level of comparability in order to define the progress made in this sector by the EU Member States.

Between 1994 and 2001, the European Union Household Panel (EUHP) survey satisfied these political needs. Nevertheless, given the need to update its content in view of the new demands, and to improve its functioning (especially as regards the speed at which data is produced), the annual social statistics directors meeting, held on June 13th and 14th 1999, decided to replace the EUHP with a new instrument.

Therefore, a group of experts was created to study all operations related to the content and structure of its successor, the EU-SILC, in depth. The work performed by said group was presented at the Social Statistics Directors meeting staged on June 13th and 14th 2000, endorsing the basic principles of the new instrument, the list of topics it would encompass, the successive stages to be followed by the group of experts and the work group, and the introduction of a legal act for the EU-SILC.

A previous project for the framework regulation was presented and amended after the decisions taken at the meeting of the Statistical Programme Committee on May 30th 2001 and at the Social Statistics Directors Meeting on June 11th and 12 2001.

After several studies and preparatory meetings, a pilot test was carried out in 2002, and the definitive survey commenced in 2004.

The preparatory studies mainly focused on the compilation of the European Parliament and Council Regulation, and on the different measures needed to set up the project, as well as on establishing the primary and secondary areas to be investigated, defining target variables, aspects related to the sampling, guideline rules, etc.

The EU-SILC has been designed in collaboration with all Member States, through their national statistics institutes, that compose the National Data Units (NDU), since this type of surveys requires scientific and technical training, as well as a previous statistical device that is only available in central statistics offices.

# 3 Objectives

The general objective of the LCS is the systematic production of Community statistics on income and living conditions, that include transversal and longitudinal data that are comparable and updated on income, the level and composition of poverty and social exclusion, on a national and European level.

Although the priority aspect is to produce transversal information with a high level of quality as regards its topicality and comparability, the survey also provides *longitudinal information*, that is to say, data on the same persons at different moments in time (in the Spanish case, the monitoring period spreads out over four years). This will reveal the gross change, that is to say, the time-based evolution of the relevant variables in each individual, and allow the study of transitions, durations and intervals between events, typical of the Panel approach.

When considering the most important results of the survey in Spain, some analysis and classifications will be presented at geographical level NUTS 2 (Autonomous Communities).

Specifically, the LCS focuses on providing comparable and harmonised information on the following aspects of the level and conditions of life and social cohesion:

## **Private household income. Economic situation.**

The LCS will provide information on income, its distribution in terms of certain basic characteristics, the profile of social mobility in terms of said income and the population's financial situation, specifically:

- Distribution of the level of income according to persons and households.
- Distribution of its components, according to persons and households.
- Evolution of the distribution of income over time by socio-economic groups.
- Characteristics of social mobility due to income, according to persons and households.
- Contribution of the different sources of income to the inequality of its distribution.
- Relationship between the characteristics of households and inequality with respect to income.
- Causes of inequalities in income and their evolution over time.
- Level of social protection contributions as regards the level of income and evolution over time.
- Financial situation of the household and debts.

## **Poverty, deprivation, minimum protection and equal treatment.**

The LCS should provide transversal and longitudinal statistical information that is homogeneous in all EU countries, in order to study poverty, deprivation, minimum protection and equal treatment.

These issues are the essential concern in the framework of social concerns in the European Union.

This survey will provide a series of comparative social indicators that should allow political directors to monitor the evolution in certain relevant fields.

As regards **poverty and deprivation**, the following aspects can be obtained:

- The incidence of poverty and deprivation in terms of the different lines of poverty and deprivation.
- The social distribution of the risk of poverty and deprivation, according to different explanatory variables.
- Composition of the poor population.
- Subjective perception of poverty and other situations.
- The incidence of permanent poverty as regards transitory poverty and transitions inside and outside poverty.
- The social distribution of the risk of permanent or long-term poverty.
- Evolution, as regards persons and households, of the risk of deprivation over time.
- Relationship between deprivation indicators and the consequences thereof (as regards health, education).

As regards **minimum protection**, the information obtained relates to:

- Adaptation of social protection contributions by sectors, in order to guarantee minimum protection.
- Adaptation of the different minimum protection systems in the EU in accordance to a longitudinal perspective.

As regards the **equal treatment of men and women**, the information obtained refers to:

- Evolution of single parent families in terms of the number of dependent persons (minors and others).
- Evolution of female activity rates and of wage differences.
- Situation of women in the social protection system, according to result indicators relating to the incidence of poverty, minimum protection, average contributions by sex, and other demographic and socio-economic indicators.

### **Employment and activity. Childcare.**

The LCS provides a great opportunity to observe and analyse the evolution of the labour market in the EU. Furthermore, it also contains information on **short-term movements linked to employment**; specifically, data will be obtained on:

- Various type of unemployment: short duration, long duration and part time employment.
- Return to work from occasional unemployment.
- Causes and characteristics of part time employment.
- Causes of the shift between employment/unemployment.

With respect to **activity**, the study will look at:

- Male and female activity rates according to other investigation variables.
- Frequency and causes of the activity-inactivity transitions and vice versa.

As regards childcare, the study considers the number of hours a week children are looked after in centres or by persons who are not their parents, and can analyse the relationship with the mother's activity, type of household, etc.

### **Retirements, pensions and socio-economic situation of elderly persons.**

These issues, of relevance to achieve the goals set out for the survey, are linked to other aforementioned aspects (poverty, social protection). With respect to **retirement**, the following will be studied:

- Existing differences according to retirement regimes for people over 50.
- The factors determining early retirement.

As for **pensions**:

- Distribution of the main sources of income of elderly people.
- Composition of retirement pensions according to socio-economic and socio-demographic indicators.
- Evolution of retirement pensions over time, by age groups.
- Distribution and evolution of income from pension plans or private insurance.

As regards the **socio-economic** situation of elderly persons, the survey focuses on obtaining information on:

- Living conditions of elderly persons according to different socio-economic indicators (housing, health, financial situation).
- Factors determining the evolution of living conditions given relevant events, such as the death of the spouse or an illness.
- Health status and health care.

### **Housing, associated costs.**

The LCS will allow the analysis of some aspects related to the dwelling and its equipment.

The LCS will determine the expenses the dwelling involves for households, whichever the tenancy regime, and can be linked to other variables in the survey, specifically with income.

### **Regional development, migratory movements.**

The LCS will also deal with aspects related to regional development and migrations. The need for information refers to the relationship existing between migratory flows inside Spain, and regional disparities as regards unemployment and family income. This issue is of interest for three reasons: for regional policies, to monitor migratory movements and for the economic policy in general.

Therefore, the LCS will provide information on the following aspects, with the necessary aggregations and whenever possible, without exceeding specific sampling errors that advise against their use:

- Number of foreigners and their characteristics (age, sex, training, qualification and professional experience).
- Biography of foreign workers (unemployment periods, mixed marriages).
- Housing, health status and level of training of foreign workers.
- Unemployment and activity rate of foreigners by nationality, professional qualification and sex.
- Fertility rate of female foreigners by age and gross birth rate by nationality.
- Characteristics of domestic migration.

#### **Level of training, health and effects of both on the socio-economic situation.**

The microdata use of the elemental registers, as well as the aggregate use of the LCS, will provide abundant information on aspects of training and education, both as regards the availability and demand of human capital, and on the time-based or dynamic approach of training. Specifically, the transversal use of the survey will provide information on:

- General level of training of the population.
- Relationship existing between the level of training and the socio-economic situation; analysis of the level of training according to international classifications and by sex, age, parent's training, occupation and professional situation.

The dynamic analysis meets information needs on:

- Quality of the education-work transition.
- Stability in employment and frequency when changing employment in terms of training.
- Evolution of income according to level of training.

#### **Other issues tackled in secondary modules.**

As of 2005, each year a module will be included dealing particularly with a specific relevant issue. The following modules will be included in coming years:

- 2005 Survey: Intergenerational transmission of poverty.
- 2006 Survey: Social participation.

The previous list obviously does not cover many other use possibilities that could be implemented when the final files for the different years of the survey become available. Likewise, the use of the survey on the national arena could be restricted as regards certain classifications, given the aforementioned sampling error that appears with small sample sizes.

Certain countries already have more appropriate sources than the LCS to provide some of the information that will be obtained for the whole of the European Union. The use of these operations (EAPS, HBS, administrative sources...) for their specific purposes will be preferable in some cases. Therefore, it will not be necessary to perform national operations in these areas of study using the LCS.

# 4 Alternatives in the design

---

## 4.1 Alternatives to the design of a survey

Three types of surveys could be considered in order to cover the goals set out for this investigation:

- a) Pure panel: The households selected initially remain in the sample during the whole of the study, allowing the entrance of new members, and monitoring members that have left the household, or the whole household if they have moved or changed their address.
- b) Rotating panel: Households stay in the sample for a specific number of periods and are subsequently replaced.
- c) Periodic surveys: An independent sample is extracted for each relevant period (one year).

Each one of these three designs has its pros and cons.

1. Panels, in general, are characterised by obtaining longitudinal data with a high analytical value, which can only result from *periodic surveys* using retrospective histories that focus too intently on the interviewed person's memory. Conversely, transversal estimates (referred to specific moments) can be obtained perfectly using a *rotating panel* and a *pure panel*, as long as the regeneration mechanism is efficient.

2. The main advantage of *periodic surveys* is the possibility of accumulating information regarding different periods to estimate relatively static characteristics with greater reliability. This quality also applies to *rotating panels* to a greater or lesser extent, depending on the *rotation speed* (speed at which the sample is replaced) and, very rarely, to *pure panels* (only when the study characteristic allows considering household's repeated observations as accumulated information).

An additional advantage of the periodic surveys is the greater simplicity when analysing information.

Panels provide wealthier information, but require more attention and dedication when maximising their qualities.

3. Change estimates are specially benefited by keeping a certain proportion of households in the sample.

If the relevant aspect involves measuring the sphere broken down unit by unit (household or person), it can only be undertaken via a panel structure, with or without rotation. Logically, the greater the common sample is period by period and the greater the time each household stays in the sample, the greater the benefits of the panel design. Thus the pure panel presents maximum facilities in this aspect.

4. The fieldwork performed for a *rotating panel* is comparatively simpler than those used in the other two alternatives:

- The *pure panel* requires great dedication to ensure the continuous collaboration of each household, including possible follow-ups of the whole household or of its members if they move. In fact, this type of panel is a panel of persons, since they are the only units that remain, whilst the households may change or even disappear.



– *Periodic surveys* present the major disadvantage that interviewers have to obtain the collaboration of all households for the first time, which is more laborious than preserving households that have collaborated previously.

5. A disadvantage of panels, both of rotating and pure panels, is the fact that non-response is accumulated throughout the periods of collaboration, although it is greater in the first collaboration. Therefore, the study has considered the possibility of implementing a replacement mechanism to guarantee the size of the sample, which would not be as necessary in *periodic surveys*.

6. An additional advantage of the panels is the ease with which it is possible to deal with non-response in second or subsequent collaborations, since in these cases there is very detailed information on the households, corresponding to previous periods, which can be used to impute or perform reweighing.

---

## 4.2 Alternatives to the design of the LCS

For the EU-SILC, in the European framework, there is no obligation of using a specific model, but the response must provide certain transversal and longitudinal information using the instruments each Member State considers appropriate.

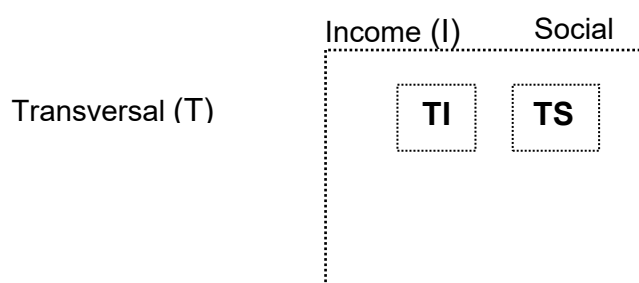
The EU-SILC is characterised by its flexibility, and therefore microdata can stem from different types of statistic sources with different designs, with the only condition that they fulfil these requirements.

The survey provides two types of information: transversal and longitudinal. Transversal data refer to the situation at a specific moment in time, and also present data on net changes when dealing with transversal data from different cycles. On the other hand, longitudinal data link units in time, allowing the study of the gross change and the carrying out dynamic analysis.

Another requirement is the annual periodicity of the data. Therefore, the microdata does not require a link between the longitudinal and transversal component (the opposite occurs with the European Union Household Panel)

To present the different designs that can be used in the EU-SILC, variables are divided into two types: income variables (I) and social variables (S). These variables are collected both on a transversal (T) and a longitudinal (L) level; thus, there are four major variable groups:

- (TI) transversal income component
- (TS) transversal social component
- (LI) longitudinal income component
- (LS) longitudinal social component



Longitudinal (L)



EU-SILC Components

The approach taken when designing the EU-SILC, according to the EU Regulation, should envisage the following considerations:

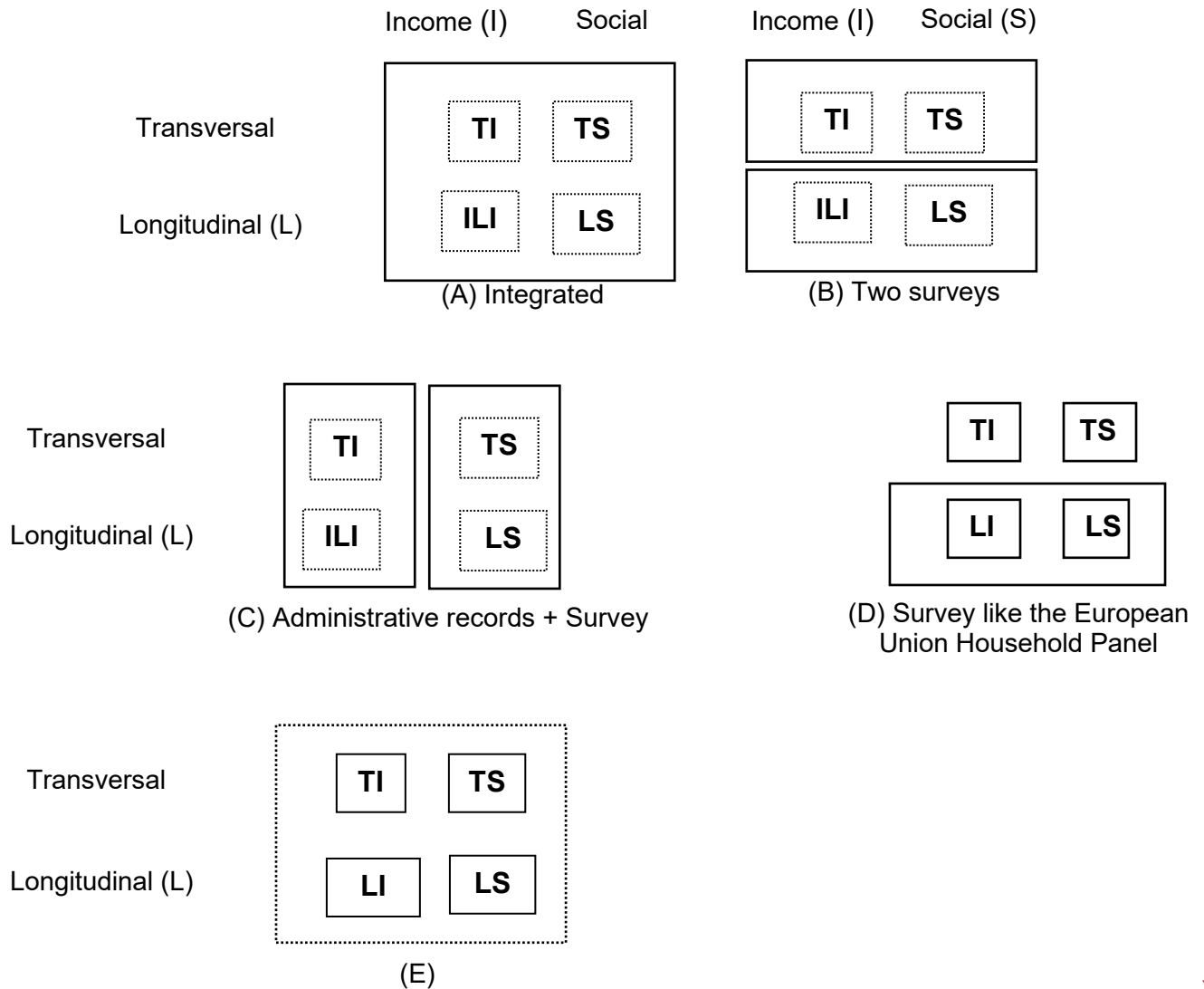
- The sample of the Social component should be included in the sample of the Income component, both at a transversal and longitudinal level.
- The transversal and longitudinal parts can be considered independently, and can even stem from different sources.

With this nomenclature, there are the following possible alternatives as regards the design used in the EU-SILC:

- A. An integrated design with a rotating panel survey that covers all the components: social, income, transversal and longitudinal.
- B. Two separate surveys, one transversal and the other longitudinal, each one covering the social and the income part.
- C. Two separate sources, one covering the income variables (normally obtained via administrative sources) and the other covering part of the social variables.
- D. Pure panel, like the European Union Household Panel
- E. Another type of model that covers each component independently.

The aforementioned can be summarised as follows:

## Types of data sources in the EU-SILC:



### 4.3 The integrated design

The integrated design (model A in the previous diagram) is recommended in those cases when a new survey is to be carried out. This model has been implemented in Spain.

The LCS is therefore a "Rotating Panel" survey. That is to say, since it is a panel it investigates the same units over the years, but compared to the EUHP where the panel units were permanent for the eight years the survey lasted, in the LCS the panel units are only investigated for four years.

The sample is composed by 4 panel subsamples. Therefore, every year, one is replaced by a new subsample. Each of the subsamples will remain in the survey for four years, after this period it is replaced by another subsample.

An important advantage of this model is that most of the sample used to obtain the longitudinal component is obtained as a subproduct of the transversal sample: basically, transversal and longitudinal statistics are obtained from the same set of units avoiding a duplicate effort when carrying out the sample.

Some important aspects of the LCS are:

- The survey is annual. Each year is denominated a survey **cycle**.
- A quarter of sample is renewed in each cycle.
- The sample is divided therefore into **4 rotation groups**. The number of years a rotation groups is in the sample is denominated **period**. The periods may be from 1 to 4: period 1 of a rotation group is the year in which it enters the sample and 4 is the last year it remains in the sample.
- In the first LCS cycle the whole sample is new and therefore will be in period 1.
- A fourth of the selected units in the first cycle sample will only remain for a year, another fourth for two years and another for three years.

# 5 Sampling and analysis units

---

## 5.1 Sampling units

The survey uses the census definition given for a family dwelling, considering the census section as the primary census section sample and the main family dwelling as the last sample unit. Initially, the selected sample includes all private households resident in the main family dwellings selected.

---

## 5.2 Analysis units

In the first period **two basic observation and** analysis units were considered: private households who live in the main family dwellings selected in the sample and persons who are members of said households. These households are denominated sample households or panel.

Sample persons or panel persons are defined as persons 14 and over (as of the 2021 reform it changes to 16 or more years old) included in the sample for the first period. Co-residents are all non-sample persons.

As of the **second period** (for each rotation group), and since persons can change their address, the sample also includes private households where, although they were not part of the sample in the previous period, there is now a sample person among the members (which, therefore, becomes part of the analysis units). Therefore, after the first period, sample households are all households where there is a sample person among the members. In any period, persons that are members of sample households will be under observation and analysis (this refers both to sample persons and co-residents).

Although persons of all ages are part of the target population, not all persons are eligible to respond to the individual questionnaire. The only persons who can be surveyed exhaustively are household members aged 16 or over on December 31st of the year prior to the survey.

The analysis units for the longitudinal component must refer to a time interval. Thus, the units are the individuals who remain in the sample during said interval. Since the survey is a rotating panel with 4 rotation groups, the maximum interval in time is 4 years.

# 6 Monitoring households and persons

---

## 6.1 Household dynamics

After selecting a target population, and considering that persons live in dwellings composing private or group households (or reside in institutions), monitoring is performed via households, since as well as there being information on them for their location, they will also be considered study units, as the survey does not only study the behaviour of the individuals specifically, but also the behaviour of the households as a whole. Therefore, in the first place it is necessary to consider which transformations households can undergo from one period to the next, to then determine which part of the population is researched.

Collaborating households from one period may disappear, be split or remain complete when commencing the next period.

**Disappeared household.** A household is considered to have disappeared when none of the panel persons from the previous period reside in a private dwelling inside the country during the period that is under study.

**Split household** A household is considered to have branched or split from one period to the next, when the panel persons that integrated it in the first of the two periods, reside in more than one private dwelling in the country in the period under study.

**Complete household.** A household is considered complete when the changes regarding its composition the previous year, if there are any, have only been caused by deaths, births, incorporation of new members, departure of non-panel members, institutionalisation of the members, transfer of one of the members to a group dwelling or to a country outside Spain, without the composition of an additional household, and without the household disappearing.

When a household is complete in the period under study, it will be considered as a single household and will be called the initial household.

When referring to a split household, there will be an initial household and as many non-initial or **branched households** as partitions of the household there are compared to the previous period minus one, which is the partition corresponding to the initial household.

Both initial and non-initial households will be researched in each period. The members of these households will be the object of a comprehensive research (an individual can only be researched exhaustively in one household, although they can appear in two households, one initial and one non-initial).

### Definitions of initial household, merged household and branched household

#### a) With ramification:

– If a member of the panel continues to reside at the same address as during the previous period, the household of said person is defined as the initial household. The other panel persons, members of said household in the previous period, who have moved to private households in the national territory will form branched households.

– If no panel member lives at the address where the interview was performed in the previous period, the initial household is considered the household of the person who was given the lowest personal order number in the previous period.

## **b) Without ramification:**

– The household is considered complete. Said household is the initial household since it is the only existing one, regardless of whether the address has changed during the two periods.

**Merged household.** This option occurs when panel persons from different households from the sample of the previous cycle gather to compose a new household.

When two households merge from one period to the next, the initial household is:

1. If the household composed in the second of the two periods resides at the address of one of the households from the first, said household will be considered the initial household for that address in the first, whilst the household located at the other address will disappear as such.

2. If the household composed in the second period resides at a new address, this household will be considered the initial household of the household from the first period that includes the person with the lowest personal order number in the household in the second period, whilst the other household will disappear as such.

**Branched household.** Private households that contain panel individuals but have not been designated initial households.

The correct detection of initial households is essential for the creation of a panel, since these households can be used to monitor the individuals.

In fact, in each of the periods, information will be collected in the initial households, not only on the persons who are members of these households, but also on those persons who are not members of the household at present but were part of the households that generated initial households in the previous period. The information recorded on these persons refers to the year and month they were born, their sex and the date on which they stopped being household members or passed away. If the household has changed address, information shall also be sought on the type of dwelling it has moved to or if it has moved abroad.

In these circumstances, and since these persons are not members of the initial household, exhaustive research will not be performed in these households but in the households where they reside at present (if they are private and in Spain) as long as these persons are panel individuals. If these persons are co-residents, they will only be researched if they still live with panel individuals.

In all, the initial household positions itself, as aforementioned, as **the essential instrument to monitor the panel population** and non-panel individuals.

Nevertheless, initial households are not enough to study all the characteristics demanded in this study, and therefore it is also necessary to identify **non-initial households** correctly, since these can be used to determine the current situation of the individuals residing therein: who they live with, which changes have occurred in the fields of studies, income, situation as regards activity...

---

## 6.2 Incidents in households

Incidents are the different situations the interviewer encounters when carrying out the fieldwork. The questionnaires the interviewer has to obtain are: the Household File and the Household Questionnaire for each household and the Individual Questionnaire for each of the persons aged 16 or over on December 31st of the year prior to the interview.

In terms of the incidents encountered, monitoring rules will be established to maintain or exclude the household from the sample. Depending on the period that the sample household is in, the incidents may be as follows:

### FIRST PERIOD

The following situations can take place in the first period:

**Collaborating Household** Household that offers sufficient information to complete the Household File, the Household Questionnaire and, at least, one Individual Questionnaire.

### INCIDENTS WHEN ACCESSING THE ADDRESS FOR THE DWELLING

**Address unlocatable.** This incident occurs when, with the information available, it is not possible to locate the initial address, despite efforts to locate it.

**Inaccessible address.** This incident occurs when the address cannot be reached due to adverse weather conditions (flood, storm, etc.) or to geographical causes (no roads, etc.). Likewise, this condition is applicable when the area is conflictive or dangerous.

**Dwelling used for other purposes, nonexistent address** This incident occurs when the dwelling is used for purposes other than the main residence (office, workshop, practice, secondary dwelling, etc.) or when the building has been demolished. Only applicable in period 1.

**Empty dwelling.** This incident occurs when nobody lives at the address. Only applicable in period 1.

### INCIDENTS WHEN INTERVIEWING THE HOUSEHOLD

**Absence.** This incident occurs when all of the current household members are absent during the period of time the fieldwork is carried out in the municipality.

**Incapacity.** This incident occurs when all of the current household members are incapable of answering the interview or completing the questionnaires, due to physical incapacity or illness and there is no other relative or person who can provide the information required.

**Refusal.** This incident occurs when all of the current household members refuse to provide information, either from the beginning of the interview or when, after agreeing to provide information to complete the Household Questionnaire, they refuse to continue offering said information further on, for any given reason, and the interviewer cannot obtain the minimum information required to consider the questionnaire completed.



**No Individual Questionnaire.** This incident occurs in the household if information is obtained to fill in the Household File and the Household Questionnaire, but not enough information is obtained to consider any of the Individual Questionnaires completed.

**Other reasons.** This section refers to incidents that are not specified in the previous sections, e.g. if none the members of the household known the language, they are all illiterate, etc. and there is no other relative or person who can provide the information required.

It also includes the cases when there is more than one current household member aged 16 or over at the time of the interview who presents different incidents, such as absence, incapacity or refusal to answer the Household Questionnaire.

## **SECOND PERIOD AND SUBSEQUENT PERIODS**

In the second and subsequent periods, incidents will vary with the introduction of the longitudinal component, thus producing new incidents when monitoring households:

### **Collaborating Household.**

#### **INCIDENTS WHEN ACCESSING THE ADDRESS FOR THE DWELLING**

**Address unknown.** This incident appears when the household has moved, and the new address is unknown or unlocatable. Not applicable in cycle 1.

#### **Address unlocatable**

#### **Inaccessible address.**

#### **INCIDENTS WHEN INTERVIEWING THE HOUSEHOLD**

**Household deceased.** This incident occurs when all of the household's panel members have passed away. Not applicable in cycle 1.

**The household has moved to an institution or group household.** This incident occurs when all of the household's panel members move to an institution or group household in the national territory (they do not all have to go to the same institution or group household). Not applicable in cycle 1.

**Household has moved abroad.** This incident occurs when all of the household's panel members move outside the national territory. Not applicable in cycle 1.

**Household without panel persons.** This incident occurs when all of the household's panel members exit the sample due to different reasons; they do not have to coincide in all cases. The reasons for this departure may be one of the three following types: death, transfer to an institution or group household or transfer abroad. Not applicable in cycle 1.

**Merged household.** This incident occurs when all of the current household's panel members move to other sample households (without considering those who have passed away, those who have transferred to institutions or group households or have moved abroad). Not applicable in cycle 1.

#### **Absence.**

#### **Permanent.**

**Refusal.**

**No Individual Questionnaire.**

**Other reasons.**

---

### **6.3 Monitoring rules**

As mentioned previously, panel persons determine the households that will be under study. That is to say, once the panel persons have been established in period 1, during the following periods these persons are monitored by surveying the whole household they belong to, as long as this household is private and located in Spain.

Nevertheless, incidents in the household environment determine the exclusion of a household from the monitoring process at a certain point. Rules for monitoring from period 1 to period 2 for a specific household are:

<b>Incident in period 1</b>	<b>Monitoring in period 2</b>
Collaborating Household	Monitored
Address unlocatable	Removed from the sample
Inaccessible address	Removed from the sample
Dw. used for other purposes, nonexistent dw.	Removed from the sample
Empty dwelling	Removed from the sample
Refusal	Removed from the sample
Permanent	Removed from the sample
Absence	Removed from the sample
No Individual Questionnaire	Removed from the sample
Other reasons	Removed from the sample

Monitoring rules from one period  $t$  ( $t > 1$ ) to the next  $t+1$  are:

<b>Incident in period <math>t</math></b>	<b>Monitoring in period <math>t+1</math></b>
Collaborating Household	Monitored
Address unknown	Removed from the sample
Address unlocatable	Removed from the sample
Inaccessible address	Monitored if it was a Collaborating Removed from the sample if not
Household transferred to an institution or Household that has moved abroad	Removed from the sample
Household without panel persons	Removed from the sample
Household deceased	Removed from the sample
Merged household	Removed from the sample
Refusal	Removed from the sample
Permanent	Monitored if it was a Collaborating Removed from the sample if not
Absence	Monitored if it was a Collaborating Removed from the sample if not
No Individual Questionnaire	Monitored if it was a Collaborating Removed from the sample if not
Other reasons	Monitored if it was a Collaborating Removed from the sample if not

When monitoring, branched households in  $t$  have no household associated in  $t-1$ ; therefore incidents regarding their initial household in  $t-1$  are not considered. Consequently, for branched households (with ramification in  $t$ ) the monitoring rules presented in the previous table are implemented supposing that in  $t-1$  the incident was 'Collaborating.'

# 7 Investigation scope

---

## 7.1 Population scope

The population under investigation (target population) are persons who are members of private households who live in main family dwellings, as well as said households.

Although persons of all ages are part of the target population, not all persons are exhaustively researched since the only persons who can be selected for exhaustive investigation are those aged 16 or over on December 31st of the year prior to the interview.

---

## 7.2 Geographical scope

The geographical scope of the research is made up by the whole of Spain.

---

## 7.3 Time scope

The reference periods for which the different characteristics researched are collected differ for the different sections of the questionnaires. The following reference periods apply:

- a) The **reference** week is defined as the week immediately before the week the interview is carried out (from Monday to Sunday).
- b) The **present moment** is used essentially in questions relating to activity.
- c) The **natural year before the interview** is used in some questions from the Household Questionnaire and the Individual Questionnaire, relating to income received during the previous year. This is called the income reference period.
- d) The **person's biographical period**, since the survey collects biographical information, the time period will be different for each person.
- e) Some particular questions pursue information on other moments in time, such as the period of the last twelve months, the last four weeks...

# 8 Design of the sample

---

## 8.1 Type of sampling

The Living Conditions Survey (LCS) is an annual survey with a rotating panel design with a sample formed by four independent subsamples, each of which is a four-year panel. Each year the sample is renewed in one of the panels.

In order to select each subsample, a two-stage design is used with first stage unit stratification. The first stage is formed by census sections and the second stage by main family dwellings. Within these no sub-sampling is carried out, investigating all dwellings that are their usual residence.

The framework used for the sample selection is an area framework formed by the relation of existing census sections used in the 2003 Municipal Register of Inhabitants. Second stage units use the list of main family dwellings in each of the sections selected for the sample.

For each Autonomous Community, the first stage units are grouped into **strata** in agreement with the size of the municipality to which the section belongs.

The following strata are considered:

**Stratum 0:** Municipalities with more than 500,000 inhabitants.

**Stratum 1:** Province capital municipality (except the previous ones).

**Stratum 2:** Municipalities with more than 100,000 inhabitants (except capitals)

**Stratum 3:** Municipalities from 50,000 to 100,000 inhabitants (except capitals).

**Stratum 4:** Municipalities from 20,000 to 50,000 inhabitants (except capitals).

**Stratum 5:** Municipalities with 10,000 to 20,000 inhabitants.

**Stratum 6:** Municipalities with less than 10,000 inhabitants.

For each Autonomous Community an independent sample that represents it is designed, due to one of the objectives of the survey being to facilitate data at this level of disaggregation.

---

## 8.2 Sample scope. Allocation

In order to achieve the goals set out for the survey to provide estimates with an acceptable level of reliability on a national and Autonomous Community level, the sample selected includes 16,000 dwellings distributed in 2,000 census sections.

The sample is distributed between Autonomous Communities assigning a portion uniformly and another in proportion to the size of the Community. The uniform part corresponds to approximately 40% of the sections.

**Table 1. Distribution of the sample by Autonomous Community**

<b>Autonomous Community</b>	<b>Number of census sections</b>	<b>Number of dwellings</b>
Andalucía	240	1.920
Aragón	88	704
Asturias (Principado de)	84	672
Balears (Illes)	72	576
Canarias	96	768
Cantabria	60	480
Castilla y León	132	1.056
Castilla-La Mancha	96	768
Cataluña	224	1.792
Comunidad Valenciana	156	1.248
Extremadura	76	608
Galicia	132	1.056
Madrid (Comunidad de)	192	1.536
Murcia (Región de)	76	608
Navarra (Comunidad Foral de)	60	480
País Vasco	120	960
Rioja (La)	60	480
Ceuta y Melilla (ciudades autónomas)	36	288
Total	2.000	16.000

In each section, as well as the eight original dwellings, another eight substitutes have been selected to replace those main dwellings in case incidents should arise.

Since the 2014 survey, substitutions have been suppressed, selecting 12 dwellings in each section, instead of 8.

In 2019, a sample expansion process began that culminated in its doubling in 2022.

### 8.3 Sample selection

The sections are selected within each stratum with a probability proportional to their size. The dwellings, in each section, with the same probability via random start systematic sampling. This procedure leads to self-weighted samples in each stratum.

### 8.4 Rotation shifts

As mentioned previously, the sample chart consists of four annual panels. Therefore, each of the persons in each one remains in the sample for four consecutive years. Thus the 2,000 sections have been divided into four groups, called Rotation Groups, and are the four panels that compose the sample.

The sample of dwellings from a specific Rotation Shift is renewed each year; therefore every year 3/4 parts of the sample overlap with that relating to the previous year.

Each rotation shift constitutes an independent representative sub-sample.

The number of sections in each Autonomous Community group and stratum has always been considered as a multiple of four, to ensure rotation shifts have an identical distribution of the theoretical sample by Autonomous Communities and strata.

---

## 8.5 Estimators in the first year of the survey. Year 2004

In this year, it only makes sense to consider transversal estimators, since the four sub-samples are in the first year of the Survey.

The calculation of the factors is done independently in each of the four sub-samples represented by  $t=1, \dots, 4$ .

The methodology used in the calculation of the survey estimates has been proposed by Eurostat.

---

### 8.5.1 RAISING FACTOR FOR THE HOUSEHOLD

The final raising factor for the household is obtained via a five-step process:

**Step 1. Design factor:** Obtained as the inverse of the probability of selecting the dwelling. In this way, the estimator obtained from it has the expression:

$$\hat{Y}^{(1,t)} = \sum_h \sum_{j,i \in h} \frac{V_h^{(03)}}{vt_h^t} y_{hji}^t = \sum_h \sum_{j,i \in h} \frac{V_h^{(03)}}{8 \cdot n_h^t} y_{hji}^t$$

Where:

$t$  is the rotation shift

$h$  is the stratum section  $j$  belongs to.

$j$  is the section.

$i$  is a household.

And being:

$p \hat{Y}^{(s,t)}$ : estimation of the characteristic under study obtained with the sub-sample of the rotation shift  $t$  in step  $s$ .

$V_h^{(03)}$  is the total number of households in the 2003 register in stratum  $h$ .

$n_h^t$  is the allocation of sections in stratum  $h$  and the rotation shift  $t$ .

$vt_h^t$  is the number of theoretical dwellings in stratum  $h$  in rotation shift  $t$ , which according to the design is  $8 \cdot n_h^t$ .

$Y_{hji}^t$  is the value of the variable under study in household  $i$  in section  $j$  and stratum  $h$  in rotation shift  $t$ .

Consequently, the design factor for a household  $i$  in section  $j$  of stratum  $h$  in shift  $t$  is:

$$d_{hji}^t = \frac{V_h^{(03)}}{8 \cdot n_h^t}$$

As  $n_h^1 = n_h^2 = n_h^3 = n_h^4$  given the terms established in the sections dedicated to rotation shifts, the design factor does not depend on the rotation shift.

**2. Correction of non-response** Non-response is corrected by multiplying the previous

factor by  $\frac{vt_h^t}{ve_h^t}$ , estimate of the opposite of the probability of response in the stratum,

where  $ve_h^t$  is the number of actual dwellings in stratum  $h$  in rotation shift  $t$ . Consequently:

$$r \hat{Y}^{(2,t)} = \sum_h \hat{Y}_h^{(2,t)} = \sum_h \sum_{j,i \in h} \frac{V_h^{(03)}}{ve_h^t} y_{hji}^t$$

**3. Calculation of the ratio estimator** Using the population projection at the time the survey is performed as the auxiliary variable, it is possible to obtain a separate ratio estimator that mainly aims to improve the estimate obtained in the previous sections, updating the population used at the time of the sample selection to the time the survey is performed. The population used refers to February 15th 2004.

The estimator is expressed as:

$$\hat{Y}^{(3,t)} = \sum_h \frac{\hat{Y}_h^{(2,t)}}{\hat{P}_h^{(2,t)}} P_h$$

in other words:

$$\hat{Y}^{(3,t)} = \sum_h \frac{\sum_{j,i \in h} \frac{V_h^{(03)}}{ve_h^t} y_{hji}^t}{\sum_{j,i \in h} \frac{V_h^{(03)}}{ve_h^t} p_{hji}^t} \cdot P_h = \sum_h \sum_{j,i \in h} \frac{P_h}{\sum_{j,i \in h} p_{hji}^t} y_{hji}^t$$

Which can be written as:

$$\hat{Y}^{(3,t)} = \sum_k w_k^t \cdot y_k^t$$

Where subindex  $k$  represents the households in the sample and with:



$$w_k^t = \frac{P_h}{\sum_{j \in h} p_{hji}^t} = \frac{P_h}{p_h^t} \quad \text{if household } k \text{ belongs to stratum } h.$$

$p_h^t$  is the sample population for stratum  $h$ , shift  $t$ .

$P_h$  is the population projection for stratum  $h$ .

$y_k^t$  is the value of the variable under study in household  $k$ , rotation shift  $t$ .

**4. Reweighting.** The previous factor is reweighted to adjust the estimate distribution to the population distribution of persons by Autonomous Community and age groups and sex provided by the Demographic Projections Unit. Likewise the estimate distribution of the households by size has been adjusted to the figure obtained in the first quarter of 2004 in the Active Population Survey (APS). This calibration has been carried out by means of the CALMAR framework of the French National Statistics and Economic Studies Institute (INSEE). The survey uses a Logit method truncated with values  $LO=0,1$   $UP=10$ . The following twelve groups have been considered: Males and Females aged between 0-15, 16-19, 20-24, 25-34, 35-44, 45-49, 50-54, 55-59, 60-64, 65-74, 75 years old or over. The distribution of households by size was: 1 member households, households with 2, 3, 4 or more members.

In Ceuta and Melilla the number of adjustment groups has been reduced as the sample size is smaller. Specifically, the distribution of households was not adjusted, and the age groups and sexes considered were the following twelve Males and Females aged between 0-15, 16-24, 25-49, 50-64, 65-74, 75 years old or over.

The factor obtained,  $WH_k^t$ , is the household factor. Likewise, all household members were given the household factor to which they belong  $WP_i^t = WH_k^t$ , if  $i \in k$ .

**Note: As of 2012, the variable nationality was introduced in the calibration with two modalities: Spaniards and foreigners. Likewise, as of 2013, the variable type of household is obtained from the household estimates provided by the Sub-Directorate for Population.**

**5. Final Factor: Grouping of the four Rotation shifts.** The last step in the process involves grouping the factors of the four shifts weighting them by the number of households from the actual sample in each of them, by Autonomous Community.

Thus:

$$WH_k = \frac{n_{ca}^t}{n_{ca}} WH_k^t$$

This is the household factor and the factor for all the household persons, where  $n_{ca}^t$  represents the number of sample households in the Autonomous Community  $ca$  and the rotation shift  $t$  and  $n_{ca}$  represents the size of the household sample of the

Autonomous Community  $ca$  ( $n_{ca} = \sum_{t=1}^4 n_{ca}^t$ ).

---

## 8.5.2 FACTOR FOR PERSONS AGED 16 YEARS OLD OR MORE

Calculated using the Factor for all household persons (obtained in step 4) and is modified in the following two steps:

**Step 1. Correction of non-response in Individual Questionnaires.** Using the factor  $WP_i^t$  the **factor for persons aged 16 or more who have completed the individual questionnaire** is constructed correcting the non-response that appears in individual questionnaires:

$$WCI_i^t = \frac{\sum_{j \in G_i} WP_j^t}{\sum_{j \in G_i} WP_j^t \cdot R_j} \cdot WP_i^t$$

Where:

- Variable R is 1 in individual j when he/she has completed the individual questionnaire and 0 if not.
- $G_i$  is the series of persons in the same Autonomous Community and age group and sex. The sex and age groups considered are the 22 groups mentioned in the general case in section 4<sup>1</sup>.

**Step 2. Grouping of the four Rotation shifts.** The last step is to group the factors of the four shifts weighting them by the number of Individual questionnaires in each, by Autonomous Community.

The Factor for persons aged 16 years old or more who have completed the individual questionnaire is:

$$WCI_i = \frac{ci_{ca}^t}{ci_{ca}} WCI_i^t$$

Where  $ci_{ca}^t$  represents the sample number of Individual questionnaires in the Autonomous Community ca and rotation shift t and  $ci_{ca}$  represents the actual sample number of individual questionnaires for the Autonomous Community ca

$$\left( ci_{ca} = \sum_{t=1}^4 ci_{ca}^t \right)$$

---

<sup>1</sup> Except in Cantabria and the Comunidad de Madrid, where groups have had to be grouped given the scarcity of the sample.

---

### 8.5.3. FACTOR FOR MINORS UNDER 13 YEARS OLD

In order to calculate the **factor for minors under 13 years old**, the survey uses factor  $WP_i$  for all household members and is adjusted to the distribution of minors under 13 years old on December 31st of 2003 by age, year by year.

Thus:

$$WM_i = WP_i \cdot \frac{N_n}{N'_n}$$

where  $WP_i$  is the factor for the minor  $i$  aged  $n$  years old on 31-12-2003 (the factor of household  $s/he$  belongs to),  $N_n$  is the number of children aged  $n$  on 31-12-2003 according to demographic projections and  $N'_n$  is the estimate of the number of children aged  $n$  with the factor.

---

## 8.6 Estimators for 2005 and subsequent years

As of 2005, the procedure for calculating the estimators will be the same in each cycle, distinguishing between the sub-sample in the first year of the survey (period,  $p=1$ ) and the rest of the sub-samples corresponding to the sample of the previous year (periods  $p=2, 3$  or  $4$ ).

---

### 8.6.1 CROSS-SECTIONAL ESTIMATORS

---

#### 8.6.1.1 Raising factor of households and persons

As in the first cycle, the method of construction of the raising factors is carried out in several steps.

**Step 1.** Calculation of the **base panel weight**.

This factor **is assigned to each sub-sample independently** and tries to capture, in each cycle, the probability of household inclusion in the sample and the correction for non-response or ageing of the panel sub-sample.

**Case a).** For households of the sub-sample that are for the first time in the survey ( $p=1$ ), the base panel weight is equal to the inverse of the selection probability in the sub-sample corrected for non-response. (Steps 1 to 3 of section V.1).

**NOTE:** When it corresponds to renewing the sample of dwellings, the selection probabilities of the tracts are updated, so that in the expression  $\hat{Y}^{(1,t)}$  we substitute  $V_h^{(03)}$ , total dwellings in the 2003 Municipal Register file in stratum  $h$ , for the total dwellings in stratum  $h$  obtained from the most updated Municipal Register available.

**Case b).** In households that are in the survey in second or successive interviews (p=2, 3, 4), panel component, the base panel weight is a factor defined only for the household panel person.

It is calculated from the final weighting assigned to the household in period 1 ( $WP_i = WH_k, si i \in k$ ), to which a correction factor is applied, to reflect the evolution of the sample over time. Basically, this correction factor is equal to the inverse of the estimated probability of response within the sub-sample, Autonomous Community, and age group and sex to which the person belongs.

Co-resident persons have a base weight equal to zero.

**Step 2.** Calculation of the **household weight** in each sub-sample.

**Case a).** For households in the sub-sample with p=1, the household weight is obtained by applying to the base panel weight the calibration (step 4) defined in section V.1.

**Case b).** The sample of the panel component, p= 2, 3, 4, is selected through an *indirect household* sampling through the panel persons, persons aged 14 and over selected in the period p=1, which makes it difficult to calculate the probabilities of inclusion. In order to eliminate this difficulty, the **shared weights** method is applied.

According to this theory, the weight of household h will be:

$$w_h^t = \frac{\sum_{j \in h} d_j}{n_h}$$

where:

$d_j$ : is the base weight of panel person j of household h.

$n_h$ : is the total of panel persons and co-resident persons aged 14 and over in the period p=1 of household h.

The sum extends only to the panel persons of the household.

**Step 3.** Calculation of the **final weight** of the household in the sample.

The weights calculated above, at the sub-sample level, are combined to obtain the raising factors for the entire sample.

A composite estimator is used, consisting of dividing each of the raising factors by 4. This estimator is subjected to calibration techniques similar to those described in point 4 of the previous section.

The resulting factor is applied to households and to all persons therein,

$WH_k = WP_i$ , if  $i \in k$ .

---

#### 8.6.1.2 Factor for persons aged 16 or over

Based on the factor calculated in the previous section,  $WP_i$ , the **factor of persons aged 16 years old or over is calculated with a completed individual questionnaire**, correcting for non-response found in the individual questionnaires.

$$WCI_i = \frac{\sum_{j \in G_i} WP_j}{\sum_{j \in G_i} WP_j \cdot R_j} \cdot WP_i$$

where:

The variable  $R$  takes the value 1 in individual  $j$  when he has completed an individual questionnaire and 0 in the opposite case.

$G_i$  is the set of people from the same Autonomous Community and age group and sex as the individual  $i$ . The age and sex groups considered are the 22 groups commented on in the general case of section 4.

---

#### 8.6.2 LONGITUDINAL ESTIMATORS OF PERSONS

The longitudinal analysis is performed only at the person level, and specific to a time interval.

Taking into account the characteristics of the sample design, this analysis covers a maximum period of four years, as this is the maximum period of permanence of the households in the sample.

The longitudinal analysis between two periods is limited to the individuals who form part of the sample in both periods.

The process of calculating the raising factors is similar to that of the transversal factors but reduced to the longitudinal sample.

# 9 Concepts and definitions

---

## 9.1 Dwellings and types

---

### DWELLING

Structurally separate and independent venue that, given how it was constructed, reconstructed, transformed or adapted, is conceived to be inhabited by persons or, if this is not the case, is used as somebody's regular residence. As an exception, dwellings will not include venues that, despite being initially conceived for human habitation, are dedicated totally to other purposes (for example, used as commercial premises).

A venue is considered separate if it is surrounded by walls, fences, gates..., it is covered by a roof and allows a person, or group of persons, to be isolated from others, in order to prepare and eat food, sleep and shelter from the inclemency of the weather.

The venue will be considered independent if it can be accessed directly from the street or public or private area, either common or individual, or from a staircase, corridor...; that is to say, when the persons in the dwelling can enter and exit it without having to go through a venue occupied by other persons.

In any case, the survey considers the current situation of the venue-dwelling and not the primitive state of the construction. Therefore, groupings or subdivisions of the dwellings consider as many units as resulted from the transformation processes, as long as they fulfil the aforementioned conditions, and regardless, therefore, of the initial state of the construction.

There are two types of dwellings: group dwellings (also known as group establishments) and family dwellings. Inside the group of family dwellings, there is a subtype called accommodation. The definitions for each of these concepts appear below.

#### **Group dwelling**

Dwelling designed to be inhabited by a group of persons subjected to a common authority or scheme that is not based on family ties or specific coexistence schemes. The group dwelling may occupy only part of the building or, most frequently, the whole of the construction.

Including both group establishments (convents, barracks, institutions, students' or workers' residences, hospitals, prisons, etc.), and hotels, guest houses and analogous establishments.

When there are family dwellings (see next definition) in the group establishment that are regularly used for the establishment's managerial, administrative or cleaning personnel, these will be considered family dwellings.

#### **Family dwelling**

Dwelling designed to be inhabited by one or several persons, who do not necessarily have to be members of the same family, and that do not compose a group household (see definition of group household below).

Conversely, this does not include venues constructed initially to be used as dwellings that are currently used exclusively for other purposes (dwellings that have been transformed to accommodate offices, workshops, warehouses...).

Although they do not strictly fulfil the definition, accommodations are also considered family dwellings, and are defined below.

---

## ACCOMMODATION

A family dwelling that presents the particular feature of being mobile, semi-permanent or improvised, or was not designed with a residential purpose, although it is used as the residence for one or several persons.

Accommodations can be:

### a) Permanent

- Semi-permanent dwellings that, although they resemble family dwellings in some aspects, are used during a limited time (normally under 10 years).
- Certain venues used as dwellings that are constructed without pillars and with waste material (tin, boxes...): shacks, huts...
- Other venues, which were not initially conceived as dwellings, that have not been reconstructed or reformed to be used with residential purposes, but that people use to reside inside; for example, spaces located in stables, barns, windmills, garages, warehouses, commercial premises..., as well as caves and other natural shelters that have been fitted out to live in them.

### b) Mobile homes

Constructed to be transported or that compose a mobile venue, and are used as a residence for one or several persons, such as tents, boats, yachts, trailers... Sections reserved for passengers in group means of transport (boats, trains...) are not mobile accommodations.

### Main family dwelling

Main family dwelling is considered to be any family dwelling that is used as the habitual *residence* of one or more households. Family dwellings that are seasonally, uninhabited, etc. are not regular residences and are therefore not 'main'.

---

## 9.2 Household and types

There are three types of households depending on how people reside: Private household, Group household and Institution. Only private households are under study in the LCS.

### Private household

The private household is defined as the person or persons who occupy a main family dwelling or part of it in common and consume and/or share food or other goods on the same budget.

In accordance with this definition, the following has to be borne in mind:

- 1) A private household is composed by a single person (single-person household) or several persons (multi-person household).
- 2) The persons who compose the household may or may not have family ties. In fact, the household may be formed exclusively by unrelated persons, by a family and unrelated persons or only by a family.
- 3) A private multi-person household is formed by a group of persons who occupy a main family dwelling in common. Thus, the group of persons that reside in a group establishment (hospital, hotel, student residence...) do not compose a private household. However, it is important to bear in mind that within the group establishment building there may be a household such as for example the case of a prison director who lives inside the prison premises.
- 4) The private household is composed by a group of persons who share expenses, that is to say, with a common economy or budget. Persons are not considered to form different households if they have partially independent economies if they share most of the essential expenses -dwelling and/or food- with the other persons. In general, persons with a common economy are both those who contribute resources collaborating to defray common costs, and those who do not contribute resources but do profit from the expenses of the common economy.
- 5) This survey applies a restrictive and specific criterion, considering that the same dwelling comprises several private households only if they have separate economies -that are independent regarding all relevant expenses- and occupy different and demarcated areas of the dwelling, even though there may be common areas (for example, dwellings with subtenants or dwellings shared by two or more families that have independent economies even though they share certain expenses like electricity, water or rent).

In this respect the following notions should be considered:

- When only independent persons reside in the dwelling, that use one or several rooms exclusively and do not have a common budget (guests, subtenants...), each person will be considered to compose a private household as long as the number of persons resident in the dwelling is 5 or less than 5. In this case, each person will be considered an independent households and each one will be interviewed. When there are more than 5 persons with these characteristics residing in the dwelling, it will be considered a group establishment and the persons will be rendered unsurveyable.
- When persons who use one or various rooms exclusively and who do not have a common budget (guests, subtenants...) live in the same dwelling and there are also persons who do compose a household and have a common budget, the survey will consider a household on the one hand, and on the other, the rest of the persons living in the same dwelling will be considered independent households if they are 5 or less than 5, and each of them will be interviewed independently. Conversely, if there are more than 5 persons, they will not be studied in the survey.

### **Group household**

A group household is defined as a group of persons who reside in a **non-institutional group dwelling** (guest houses, hotels, hostel, military residences, student residences, halls and other types of boarding schools, etc.), as well as those who live in dwellings



that are considered family dwellings in principle, but are considered group dwellings when the aforementioned terms are fulfilled: shared by **over five independent persons** (who use a room exclusively and do not share a common budget).

### **Institution**

For this survey, an institution is defined as the group of persons who live in an **institutional group dwelling** (old people's home, religious institutions -convents, monasteries- prisons, borstals, shelters, orphanages...).

Institutions are distinguished from g

roup households in that the former do not have individual responsibility for household management (domestic chores, budget...). On the basis of this rule, an old people's home may in some cases be seen as a group household and in other cases, an institution. Yet in any case, neither group households nor institutions are under investigation in the LCS.

### **Panel household in period 1.**

All private households that live in a dwelling in the period 1 sample.

---

## **9.3 Member of a private household**

According to the aforementioned terms, a private household is formed by the persons that reside in a main family dwelling or part of it in common and consume and/or share food or other goods on the same budget.

Consequently, those persons are the household members. Nevertheless, it is important to specify these requirements in further detail. Especially as regards 'occupying a main family dwelling in common', as doubts may arise when deciding if a person who has several addresses and is absent when the interview is performed, or only lives temporarily in the dwelling, etc., is a member of the household or not

### **Member of a private household**

'Members of a private household' refers to the group of persons that have the same *regular residence* and share a *common budget*. These terms are specified below.

### **Regular residence**

A person is considered to *reside regularly* (or have a *main residence* (or *live regularly*) in the dwelling established as his/her address and where s/he spends most of the time when not working. Yet, if due to any given reason, studies, work, etc., a person has several addresses, only one of them can be considered as the regular or main dwelling. Likewise, for persons who, for any given reason, do not have an address they can consider their regular residence and who are residing in a dwelling in the sample at the time of the interview, it is necessary to establish whether or not they are considered members of the household that resides in said dwelling. In order to establish these cases, it is necessary to bear the following in mind:

1. If a person is *residing in several dwellings*, the residence considered in the survey will be the place considered the main dwelling in the last 6 months.

2. If a person has *changed residence recently*, the survey cannot use the previous 6-month criterion, and will consider that the new residence is the regular residence if the person aims to reside within for a period of at least six months.

3. *Domestic service and other persons who have moved due to work, studies, etc.:* Domestic service are all persons who render domestic services for the household (such as chauffeurs, maids, nannies or cleaners) in exchange for a remuneration (in money or in kind).

Both for persons who are part of the domestic service and for persons who have moved due to work, studies, travel, etc., the main residence is considered as the dwelling where they live or work currently if they have no other in Spain which they own or where their family live, etc. that they consider their main dwelling. This applies regardless of how long this situation continues, except for persons who are absent from their regular residence because they are in hospital, clinics, institutions, prisons or other establishments of this type. The survey considers these persons do not reside in the dwelling if the total absence equals or exceeds 6 months.

4. *Persons without a regular residence* A person residing in a sample dwelling when the interview is carried out who does not have a residence that can be considered main or regular according to the aforementioned terms, will be considered a resident in said dwelling in the survey and will therefore be investigated in the same.

#### **Sharing expenses or income (common budget)**

A person fulfilling the previous requirements to be considered as a regular resident of a dwelling is a member of the same household as the other persons that reside within if they share a common budget or economy, that is to say, if they share the household expenses. This means profiting from expenses (children, persons with no income, etc.) and/or contributing to the income. If a person resides regularly in the same dwelling as the household members but does not share their expenses, that person composes a different household in the same dwelling.

#### **Presence / Absence**

A person is present if they sleep in the dwelling at least one night during the interview period (which is the *time the interviewer remains* in the section).

A person who resides regularly in a dwelling is considered absent (temporarily) if they do not sleep in the dwelling any of the nights of the interview period. Temporary absence may be due to different causes, such as being in hospital or in a clinic, at a boarding school, student residence or halls, or another institution (prison, etc.), working in a different place, travelling, studying or due to other reasons.

---

## **9.4 Persons and types**

Hereunder is a list of classifications and definitions of persons who are relevant to this survey.

#### **Panel person and Co-resident**

In Period 1, panel persons are all members of a panel household in period 1 who are aged 14 or more on December 31st of the year prior to the interview. The other

persons (under 14) who are members of the panel household in Period 1 are co-residents. As of the 2021 reform, the age limit changes from 14 years to 16 years.

The definition of a panel person affects the monitoring of individuals and households in the following periods.

### **Surveyable Person and Minor**

A person is considered surveyable if they are a household member and aged 16 or more on December 31st of the year prior to the interview.

A person is a minor if they are under 16 on December 31st of the year prior to the interview.

This information is relevant only because 'surveyable persons' must complete the Individual Questionnaire.

### **Former Member**

The expression "former household member" refers to a person who is no longer a member of a certain household and was not registered as a member of said household during a previous survey, but who has lived in the household for at least three months during the income reference period.

Former household members should be investigated to obtain certain variables on them for the Household File.

### **Person Responsible for the dwelling**

The person responsible for the dwelling is the household member whose name is on the property deed (owned property) or the lease contract or sub-lease contract (rented dwelling). If the dwelling is used by the household free of charge, the person responsible for the dwelling will be the person to whom it was granted.

If two persons share the responsibility of the house, the eldest will be considered the first responsible and the other will be considered the second.

If more than two persons share the responsibility, the two eldest will be considered the responsible of the dwelling.

### **Household respondent**

The ideal respondent to be interviewed in the initial contact who will provide general information on the household should be the *person responsible for the dwelling*. If there is more than one, only one person should be selected. If this is not possible, it should be a person who can "speak on behalf of" the household.

Consequently, and in general, the following order of preference is recommended:

- The first person responsible for the dwelling.
- The second person responsible for the dwelling.
- Another adult, household member.

In very exceptional cases, as would occur in a household composed by elderly or disabled persons living alone, the respondent could be a person who is not a member of the household (for example, an offspring or close friend who is perfectly aware of the situation of the household).

# 10 Fundamental characteristics under study

---

## 10.1 Introduction

One of the main goals of the survey is to study the household income during the reference period that, in relation to this variable, is the year prior to the interview.

The European Parliament and the Council Regulation on community statistics on income and living conditions (EU-SILC) defines the following concepts:

- Gross income: total, monetary and non-monetary, income received by the household during a specific income reference period, before deducting taxes on said income, taxes on wealth and contributions of wage-earners, freelancers and unemployed persons (if applicable) to the compulsory social security and of employers to the social security, but after including transfers received between households.
- Disposable Income: gross income minus income tax, taxes on wealth and compulsory contributions of wage-earners, freelancers and unemployed persons (if applicable) to the compulsory social security and of employers and transfers paid between households.

Monetary and non-monetary income garnered provides the income available for the household, that is to say, the amount resulting after deducting the amounts payable as taxes, (furthermore, as regards income tax the estimate will deduct the amounts withheld and those paid personally and directly to the Administration), Social Security contributions and other similar payments (Social Welfare Institutions, compulsory mutual insurance companies and Passive Rights).

The estimate considers both the monetary income received by the household members who receive income and the earnings attributed to the household as such, which cannot be individualised.

The total income is obtained by grouping the different components (see table in section 10.11).

Some components of the income will not be provided at the beginning of the survey, but will become compulsory as of 2007. This refers to the non-monetary components of the wage-earner's income (except company vehicles which will be considered as of the first year of operation) and of the freelance worker, the imputed rent of the dwelling and the payment of interests. Social contributions from the employer will also be included as of 2007 if the results of the feasibility studies are acceptable.

Furthermore, in Spain (and in other countries) a Commission regulation allows informants to not provide data on gross income during the first years of the survey. Nevertheless, the necessary effort will be made to provide the aforementioned data as soon as possible, or by 2007 at the latest.

Depending on their source, income is classified into the following types:

---

## 10.2 Wage-earner's income

The wage-earner's income is the total, monetary or non-monetary, remuneration an employer has to pay an employee in return for the work performed by the latter during the income reference period.

The wage-earner's income can be broken down into:

- Monetary or quasi-monetary gross income.
- Non-monetary gross income.
- Social contributions from the employer.

---

#### MONETARY OR QUASI-MONETARY GROSS INCOME

This refers to the monetary component of the wage-earner's remuneration paid by the employer. It includes all social contributions and income taxes that the wage-earner (or the employer on behalf of the wage-earner) should pay into the social insurance systems or to the tax authorities.

The wage-earner's monetary or quasi-monetary gross income includes the following elements:

- Monetary wages and salaries for the time worked or work performed in the main activity or in any other secondary or occasional activity.
- Remuneration of time not worked (for example, annual holidays).
- Overtime payments.
- Fees for the managers of incorporated enterprises.
- Efficiency wage
- Commissions, tips and gratification
- Additional payments (for example, extraordinary pays)
- Participation in profit and monetary bonuses.
- Productivity bonuses.
- Supplements for working in remote locations (when this is part of the conditions of the work position).
- Transport supplements to get to and from the work place.

Excluding:

- Refunds from the employer of work-related expenses (business travel, for example).
- Compensations for termination of service to compensate wage-earners for the interruption of their work before having reached the normal age for retirement, as well as compensation for dismissal (including "unemployment benefits").
- Aids for purely labour-related expenses, such as travel expenses or purchasing protective clothing.
- Lump sum payments at the normal retirement date (including "retirement benefits").
- Strike subsidies.

---

## NON-MONETARY GROSS INCOME

Referring to the non-monetary components of the income that the employer can pay to the wage-earner, either free or charge or at a reduced price, as part of the advantages of the contract.

The wage-earner's non-monetary gross income includes:

- Company vehicle, both for private and for private and professional use, and the costs derived from the private use thereof (free petrol, insurance, applicable taxes, etc.).
- Free or subsidised food and restaurant checks.
- Refund or payment of expenses related to the dwelling (gas, electricity, water, telephone or mobile phone bills, among others).
- Other goods and services provided by the employer to the wage-earners, either free of charge or at a reduced price, when they are a significant component of the income on a national level or a significant component of the income of certain groups of households.

The value of the goods and services provided free of charge will be calculated in accordance with the market price for those goods and services. The value of the goods and services provided at a reduced price will correspond to the difference between the market price and the amount paid by the wage-earner.

Excluding:

- The cost paid by the employer for providing any goods and services if they are only necessary for the wage-earners to carry out their job.
- Housing services in the workplace if they cannot be used by the wage-earners' households.
- The dwelling provided by the employer to wage-earners, either free of charge or with a reduced rent, as the main residence of the household (the imputed value of the dwelling provided free of charge or with a reduced rent is included in "Imputed rent").
- The dwelling provided by the employer to wage-earners, either free of charge or with a reduced rent, as the secondary residence of the household
- Aids for wage-earners to purchase tools, material, clothes, etc., needed exclusively or mainly to carry out their job.
- Food or beverages needed to work in exceptional work conditions.
- Any good or service wage-earners receive in the workplace or they need given the nature of their activity (medical check-up needed to start working, for example).

---

## SOCIAL CONTRIBUTIONS FROM THE EMPLOYER

Social contributions from the employer are payments made by the employer during the income reference period to insurance companies (social security system and private

fund system) in the wage-earners' interest; the estimate considers legal, contractual and conventional contributions as a protection against social risks. Including the following concepts:

- Contributions from the employer to public social protection systems (social security).
- Contributions from the employer to private retirement plans (pensions).
- Contributions from the employer to private illness insurance plans.
- Contributions from the employer to life insurance plans
- Contributions from the employer to other insurance systems (disability, for example).

---

### 10.3 Income of freelance workers

The income of freelance workers is the income received during the income reference period by persons, for themselves or related to family members, as a result of carrying out a present or past freelance activity.

Freelance activities are those in which the remuneration depends directly on the profit (or possible profit) derived from the goods and services produced (self-supply is considered part of the profits). Freelance workers make operational decisions that affect the company or delegate making these decisions but preserve the responsibility of ensuring the good operation of the company (in this context, the notion of "company" includes the operations of a single person). The remuneration of hobbies is considered a freelance activity.

Freelance worker's income can be broken down into:

- Gross monetary profit or loss of freelance workers (including copyright).
- Value of goods produced for self-supply.

---

#### GROSS MONETARY PROFIT OR LOSS OF FREELANCE WORKERS (INCLUDING COPYRIGHT)

Including:

- Net operation profit or loss corresponding to the owners of an unincorporated enterprise that work therein, after deducting the interests of the company loans.
- Copyright received from works, inventions, etc. not included in the profits and loss of unincorporated enterprises.
- Income from renting buildings, vehicles, material and other company properties not included in the profits and loss of unincorporated enterprises, after deducting the costs derived, like the interests on loans, repairs, maintenance and insurance expenses.

Excluding:

- Fees of the managers received by the owners of incorporated enterprises (included in "Wage-earner's monetary or quasi-monetary gross income").
- Dividends from incorporated enterprises (included in "Interests, dividends and profit from capital investment in unincorporated enterprises").
- Profit from capital invested in an unincorporated enterprise where the person does not work (silent partner) (included in "Interests, dividends and profit from capital investment in unincorporated enterprises").
- The rent of land and income from tenants or lodgers (included in "Income from renting land or property").
- Income from renting houses, rooms or land not included in the profits or loss of unincorporated companies (included in "Income from renting land or property").

The income of freelance workers is calculated as follows:

- Commercial production (gross invoicing income, including the value of goods produced by the company but used by the person who freelances or by the household they belong to).
- Plus the market price value of the goods and services purchased for the unincorporated company by used by the businessperson and the members of his/her household.
- Plus the income on property received in terms of financial assets or other types of assets belonging to the company.
- Minus the intermediate consumption (cost of raw material, expenses for sale, distribution, maintenance, administrative tasks, etc.).
- Minus the remuneration of wage-earners (wages, salaries and social contributions of the wage-earners).
- Minus taxes on production and imports.
- Minus interests paid on company loans.
- Minus rent paid for non-produced land or other material assets rented by the company.
- Minus the consumption of fixed capital.
- Plus subsidies.

Given the lack of annual accounts, either with fiscal or professional purposes, the freelance worker's income can be calculated considering the amount of money (and goods) the company has used with personal purposes (supply or saving, including the market price of the goods produced or purchased by the company but used for personal purposes).



---

#### VALUE OF GOODS PRODUCED FOR SELF-SUPPLY

The value of goods produced for self-supply refers to the value of food and beverage produced and consumed in the actual household.

The value of goods produced for self-supply corresponds to the market price for the goods produced, after deducting the production expenses.

The value of food and beverages will be included when they are significant part of the income on a national level or a significant component of the income of certain groups of households.

Excluding:

- The value of domestic services.
- Any product for sale and any amount that the freelance worker takes from the company (these values are included in "Gross monetary profit or loss for freelance workers" [including copyright]).

---

## 10.4 Imputed rent

---

#### IMPUTED RENT

The imputed rent refers to the value attributed to all households that declare they do not pay a complete rent, either because they are the resident-owners, because they reside in the dwelling rented at a price under the market price or because they live in the dwelling free of charge.

The imputed rent will only be calculated in the case of dwellings (and other associated areas, like garages) used by the household as their main dwelling.

The value imputed is obtained using the rent that is paid on the market for a similar dwelling, deducting certain concepts depending on each specific case. Thus:

- If the dwelling is rented at a price lower than the market price, the rent paid should be subtracted from said amount. If the tenant household receives aids from the Administration or from a non-profit institution, this aid should also be subtracted from the amount.

- If the household owns the dwelling, any aid received from the Administration or from a non-profit institution to cover the costs of the same should be subtracted from the amount, as should minor maintenance costs and renovation costs.

Market price rent corresponds to the amount paid in return for the right to use an unfurnished dwelling on the private market, without including heating, water, electricity, etc.

---

## 10.5 Property income

Property income refers to the income received during the income reference period by the owner of a financial asset or a non-produced material asset, in return for the provision of funds from another institutional unit or for providing the latter with the non-produced material asset, after deducting the supported expenses.

Property income can be broken down into:

- Interests
- Dividends
- Profit from capital investments in unincorporated enterprises.
- Income from renting a property or building.

---

### INTERESTS, DIVIDENDS AND PROFIT FROM CAPITAL INVESTMENTS IN UNINCORPORATED ENTERPRISES

This component refers to the sum of the interests from assets such as bank accounts, certificates of deposit, bonds, etc., dividends, and profit on capital investment in unincorporated enterprises, where the person does not work, received during the income reference period, after deducting supported expenses.

---

### INCOME FROM RENTING A PROPERTY OR BUILDING

Income from renting a property or building refers to the income received during the income reference period for renting a property (for example, renting a dwelling not included in the profit and loss of unincorporated enterprises or income from tenants or lodgers or from renting land) after deducting expenses, such as the refund of mortgage interests, minor repairs, maintenance, insurance, etc.

---

## 10.6 Current transfers received

---

### SOCIAL BENEFITS

Social benefits are defined as current transfers received by the households during the income reference period with a view to relieve them of the financial load of certain risks or needs, carried out via systems that are organised collectively or by state bodies and non-profit institutions which serve households (NPISH).

In order to be considered a social benefit, the transfer must fulfil one of the two following requirements:

- The cover must be obligatory (by Law, regulation or agreement in a collective agreement) for the group in question.

- It must be based on the principle of social solidarity (in other words, if it is a pension based on the insurance system, the premium and the rights are not proportional to the exposure to the individual risk of the persons covered).

Social benefits can be broken down into:

- Aids for family/children
- Aids for housing
- Unemployment benefits
- Old age benefits
- Survival benefits
- Statutory sick pay
- Disability benefits
- Study aids
- Social exclusion not elsewhere classified

Social benefits do not include:

- Benefits from systems where the beneficiary has only paid contributions voluntarily, regardless of the employer or Administration (including "Periodic pensions from individual private plans" [other than those included in SEEPROS]).

---

#### AIDS FOR FAMILY/CHILDREN

Aids for family/children refer to benefits that:

- Provide financial aid for households to bring up their children.
- Provide financial aid for persons who look after relatives other than children.

Including:

- Income maintenance benefit after childbirth: the amount may be pre-set or depend on the income and aims to compensate the mother for the loss of income caused by the birth during the period prior and/or subsequent to the birth or as a result of having adopted a child.
- Contribution for birth: normally allocating the amount in a lump sum or in instalments in case of birth or adoption.
- Maternity/paternity leave benefits: granted to the mother or father if they interrupt or reduce their working day in order to bring up their child, who is usually young.
- Family allowance: periodic payments granted to a member of a household with children in order to cover the expenses for the education of these children.
- Other monetary benefits: benefits received regardless of family allowance, in order to help households cover certain expenses, such as those derived from the specific

needs of single-parent families, families with disabled children or persons who look after relatives other than children. These benefits can be received as a lump sum or in periodic instalments.

---

#### AIDS FOR HOUSING

These aids refer to the intervention of the public authorities to help households cover the expenses a dwelling requires. An essential criterion used to define the application of the housing subsidy is the existence of certain requirements concerning financial resources that should be fulfilled to determine the allocation of the benefit:

Including:

- Subsidy for rent: current transfer subject to certain requirements concerning financial resources granted by a public authority to a tenant, either temporary or long-term, to help cover rent expenses.
- Subsidy for owners living in their dwellings: transfer subject to certain requirements concerning financial resources granted by a public authority to owners living in their dwellings to relieve them of the current expenses required (in practice this usually helps with the payment of mortgages and/or interests).

Excluding:

- Social housing policies organised through the fiscal system (i.e., fiscal relief).
- All capital transfers (specifically aids for investment).

---

#### UNEMPLOYMENT BENEFITS

Unemployment benefits refer to benefits that replace, either integrally or partially, the loss of income a worker experiences when losing a remunerated job. These benefits provide a survival income (or a greater amount) for persons who enter or re-enter the labour market; compensate the lack of income derived from partial unemployment; replace, either integrally or partially, the loss of income a worker experiences when retiring from a remunerated job before the legal retirement age as a consequence of cut-backs due to financial reasons; contribute to cover training and or retraining expenses for persons seeking employment; or help unemployed persons to cover travel expenses required to get a job.

Including:

- Total unemployment benefit: benefit that compensates the loss of income when the person can work and is available but cannot find an appropriate employment, including persons who have not worked previously.
- Partial unemployment benefit: benefit that compensates the lack of wages or salaries as a consequence of formal work contracts and/or intermittent work programmes, regardless of the reasons (recession or curbing of the company's activity, material breaking down, weather conditions, accidents, etc.), when the relationship employer/wage-earner is maintained.

- Early retirement due to the labour market: periodic payments for elderly workers who retire before reaching the normal retirement age due to unemployment or cutbacks due to financial measures like the restructuring of an industrial sector or a company. Said payments are usually stopped when the beneficiary obtains the right to a retirement pension.
- Vocational training aids: payments from the funds of public institutions aimed at groups of persons in the workforce who take part in training programmes in order to develop their potential for employment.
- Mobility and relocation: payments from the funds of the social security or public institutions for unemployed persons in order to relocate them in another locality or to change work sector in order to seek or find employment.
- Compensations for termination of service: compensations for wage-earners who interrupt their employment before reaching the normal retirement age for the job performed.
- Compensation for dismissal: capital amounts granted to wage-earners that have been dismissed by causes not attributable to the workers, by a company that suspends or cuts back its activity.
- Other monetary benefits: other financial aids, specifically long-term unemployment benefit.

Excluding:

- Family assistance granted for dependent children (included in "Aids for family/children").

---

#### OLD AGE BENEFITS

This benefit refers to the social protection granted to cover the risk linked to age, loss of income, inappropriate income, lack of independence to perform common tasks, reduced participation in social life, etc.

Old age benefits include those benefits that provide a replacement income when the elderly person retires from the labour market or guarantee a specific income when the person has reached a certain age:

Including:

- Retirement pensions: periodic payments that maintain the income of the beneficiaries after their retirement from a remunerated job at the normal retirement age.
- Early retirement pensions: periodic payments that maintain the income of the beneficiaries who retire before the normal retirement age as established in the corresponding plan or in the reference plan. This can be conceived with or without a reduction of the normal pension.
- Partial retirement pensions: periodic payments of a percentage of the total retirement pension for older workers who still work but reduce their working day or whose income for a professional activity is below a set limit.

- Allowance for care: benefits granted to older persons who need frequent or constant care to help cover the extraordinary expenses this care requires (other than medical treatment) when the benefit is not a refund of a certified expense.
- Survival benefits paid after the normal retirement age.
- Monetary disability benefits paid after the normal retirement age.
- Lump sums paid on the normal retirement date.
- Other monetary contributions: other benefits paid periodically or as a lump sum when retiring or for old age, as capital amounts paid to persons who do not fulfil all the requirements needed to obtain a periodic retirement pension or who were members of a plan designed only to provide capital sums on retirement.

Excluding:

- Family assistance granted for dependent children (included in "Aids for family/children").
- Early retirement benefits due to the labour market or reduction of the work capacity (included respectively in "Unemployment benefits" and "Disability benefits").
- Benefits granted to older persons who need frequent or constant care to help cover the extraordinary expenses this care requires when the benefit is not a refund of a certified expense.

---

## SURVIVAL BENEFITS

Survival benefits refer to those amounts that provide a temporary or permanent income for persons who have not reached the retirement age and have lost their spouse, partner or closest relative, generally when the latter provided the beneficiary's main means of support.

Survivors with the right to this benefit may be the spouse or ex-spouse of the deceased, children, grandchildren, parents or other relatives. In certain cases, the benefit can also be granted to persons outside the family.

Normally, the survival benefit is granted on the basis of a derived right, that is, a right that in principle belonged to another persons, whose passing is the condition required for the benefit to be granted.

Including:

- Survival benefit: periodic payments to persons whose entitlement derives from their relationship with a deceased person covered by a specific scheme (widows, widowers, orphans and the like).
- Death grant: single payment to a person whose entitlement derives from their relationship with a deceased person (widows, widowers, orphans and the like).
- Other monetary benefits: other lump sums or periodic payments to a survivor granted by virtue of a derived right.

Excluding:

- Family assistance granted for dependent children (included in "Aids for family/children").
- Burial expenses
- Survival benefits paid after the normal retirement age (these benefits are included in "Old age benefits").

---

#### STATUTORY SICK PAY

Statutory sick pay refers to monetary benefits that replace, completely or partially, the loss of income during a period of temporary incapacity for work, due to illness or injury.

Statutory sick pay includes:

- Sick leave: payment of an amount that is preset or based on income, which compensates the beneficiary, completely or partially, for the loss of income caused by temporary incapacity for work due to illness or injury. Said benefits can be paid by autonomous social insurance systems or by the employer as a continued payment of wages or salaries during the time the illness continues.
- Leave paid due to illness or injury of a dependent child.
- Other monetary contributions: different payments for persons covered for illness or injury.

Excluding:

- Monetary benefits that replace the loss of income during a period of temporary incapacity for work in case of pregnancy (these benefits are included in "Aids for family/children").
- Monetary benefits that replace the loss of income during a period of temporary incapacity for work in case of incapacity (these benefits are included in "Disability benefits").

---

#### DISABILITY BENEFITS

Disability benefits refer to those that provide income for persons who have not reached the normal retirement age and whose capacity to work and receive income has deteriorated over the minimum level established by Law due to physical or mental disability.

Disability is considered as total or partial incapacity to carry out an economic activity or lead a normal life due to a mental or physical deterioration that may be permanent or continue for longer than a minimum pre-established period.

Including:

- Disability pension: periodic payment to maintain or complete the income of a person who has not reached the normal retirement age and has an inability that deteriorates their capacity to work that is greater than a minimum level established by Law.

- Early retirement due to a reduction of the work capacity: periodic payments for older workers who retire before the normal retirement age as a result of a reduction of their work capacity. Said payments are usually stopped when the beneficiary obtains the right to a retirement pension.
- Assistance aid: benefit granted to disabled persons who have not reached the normal retirement age and need frequent or constant assistance in order to face the extra care expenses (other than medical treatment). Said benefit should not be a refund of a certified expense.
- The financial integration of persons with a disability: contributions granted to disabled persons when they perform a job adapted to their situation, normally in a protected workshop, or receive vocational training.
- Benefits for disabled children, who have their own right regardless of their dependent situation.
- Other monetary contributions: periodic payments or lump sums that are not listed in the previous sections, such as occasional financial assistance, etc.

Excluding:

- Benefits paid to replace income, completely or partially, during the period of temporary incapacity for work due to illness or injury (these benefits are included in "Statutory sick pay").
- Aids granted to families with a disabled family member (these benefits are included in "Aids for family/children").
- Benefits granted to the survivors of disabled persons, like pensions (these benefits are included in "Survival benefits").
- Contributions that involve the refund of certified expenses.
- Monetary disability benefits paid after the normal retirement age (these benefits are included in "Old age benefits").

---

#### STUDY AIDS

Study allowances refer to subsidies, grants and other aids students receive to complete their studies.

---

#### SOCIAL EXCLUSION NOT ELSEWHERE CLASSIFIED

The social benefits included in the section "Social exclusion not elsewhere classified" refer to "socially excluded persons" or persons "who run the risk of becoming socially excluded". The general nature of this section allows the identification of different target groups, like the destitute, refugees, drug addicts, alcoholics, battered persons, among others.

Including:



- Financial aid: periodic payments for persons with insufficient resources. The conditions required to access this aid can be related to personal resources and also nationality, residence, age, availability to work and family situation. These benefits can have a limited or unlimited duration; they can be granted to a person or a family and are paid by the Administration.
- Other monetary contributions: complement for the destitute and for vulnerable persons with a view to mitigating poverty or aiding persons in difficult situations. These benefits can be granted by private non-profit institutions.

---

#### PERIODIC MONETARY TRANSFERS RECEIVED FROM OTHER HOUSEHOLDS

Periodic monetary transfers received from other households refer to periodic monetary amounts received during the income reference period from other household or persons.

Including:

- Maintenance pension and obligatory aids for children.
- Maintenance pension and voluntary aids for children, which are received periodically.
- Periodic monetary contributions from persons other than household members.
- Periodic monetary contributions from households living in other countries.

Excluding:

- Subsidised housing or dwelling provided free of charge by another household (included in "Imputed rent").

---

## 10.7 Other income received

---

#### INCOME RECEIVED BY CHILDREN UNDER 16 YEARS OLD

The income received by children under 16 years old includes the gross income received by all members of the household under 16 years old during the income reference period.

Excluding:

- Transfer between household members.
- Income variables obtained at a household level (i.e. the following income components: income from renting a property or building, social exclusion not elsewhere classified, housing aids and periodic transfers received from other households).

---

## 10.8 Payment of interests

---

### INTERESTS PAID ON MORTGAGE LOANS

Interests paid on mortgage loans refer to the gross total amount of mortgage interests, before deducting any fiscal reduction, for the household's main family dwelling during the income reference period.

Excluding:

- Any other payment simultaneous to the mortgage rate, like mortgage insurance or life and content insurance.
- Any other mortgage payment on a dwelling that is not the household's main dwelling.
- Payments of other additional loans for housing expenses (repairs, renovation, maintenance, etc.) or of any other type not related to the dwelling.
- Refund of the principal or of the capital invested.

---

## 10.9 Paid current transfers

Paid current transfers can be broken down into:

- Income tax and social contributions
- Tax on wealth
- Social contributions paid by the employer
- Periodic monetary transfers paid to other households

---

### INCOME TAX AND SOCIAL CONTRIBUTIONS

Income tax refers to tax on income, profit and capital gains. This element is established considering real or estimated earnings of persons, households or the family unit for fiscal effects. It includes the estimated tax on property, land or real estate goods when they can be used to calculate the income of the owners.

Income tax includes:

- The income tax (earnings from employment, property, company activity, pensions, etc.), which includes taxes withheld by employers, other withheld taxes and income taxes of the owners of unincorporated enterprises paid during the income reference period.
- Complementary refund/payment due to adjustment on income tax: Payment or refund of taxes during the income reference period regarding taxes paid as income

received during the income reference period or the income received during previous years.

- Interests on delayed payment of taxes and fines given by fiscal authorities.

Income tax excludes:

- Rights paid for hunting, shooting and fishing.

Social contributions refer to contributions paid by wage-earners, freelance workers and unemployed persons paid during the income reference period to the obligatory social insurance systems, be they public or taken care of by the Administration or the employer (pensions, illness, etc.).

---

## TAX ON WEALTH

Tax on wealth refers to tax that owners have to pay periodically for ownership or use of land or buildings, as well as current taxes on net wealth and other assets (jewels or other external signs of wealth). Solely considering taxes on wealth paid during the income reference period.

Including late payment penalties on income tax payment and all fines imposed by fiscal authorities paid during the income reference period, as well as tax on wealth paid directly to the fiscal authority by the owner during the income reference period.

As of the 2021 reform, the Real Estate Tax (IBI) of the main home owned is also included.

Excluding:

- Occasional taxes, like taxes and rights of succession or rights over donations.
- Taxes estimated on properties, land or real estate assets when they are the basis for the calculation of their owners' income (these taxes are included in "Income tax and social contributions").
- Tax on land, buildings or other assets that companies own or rent and that are used for production (these taxes are considered tax on production and are deducted from the commercial production of freelance workers' income to establish the component "Gross monetary profit or loss of freelance workers" (including copyright).

---

## EMPLOYER'S SOCIAL CONTRIBUTIONS

Social contributions paid by the employer are defined in the section on the wage-earner's income.

---

## PERIODIC MONETARY TRANSFERS PAID TO OTHER HOUSEHOLDS

Periodic monetary transfers paid to other households refer to periodic monetary amounts paid to other households during the income reference period.

Periodic transfers paid between households include:

- Maintenance pension and obligatory aids for children.
- Maintenance pension and voluntary aids for children, which are paid periodically.
- Periodic monetary contributions for persons other than household members.
- Periodic monetary contributions for households living in other countries.

---

## 10.10 Gross income and total disposable income of the household

The components of the net income are calculated using the components corresponding to the gross income after deducting the income tax withheld at source and all social contributions.

Net components may be proportional:

- Net of income tax at source and social contributions
- Net of income tax at source.
- Net of social contributions.

If the taxes and social contributions of a component of the income have not been withheld at source, said component will be considered "gross".

---

### HOUSEHOLD'S TOTAL GROSS INCOME

The household's total gross income is calculated as follows:

- + Monetary or quasi-monetary gross income of the wage-earner
- + Non-monetary gross income of the wage-earner
- + Social contributions paid by the employer
- + Gross monetary profit or loss of freelance workers (including copyright)
- + Value of goods produced for self-supply
- + Unemployment benefits
- + Old age benefits
- + Survival benefits
- + Statutory sick pay
- + Disability benefits
- + Study aids
- + Aids for family/children
- + Social exclusion not elsewhere classified
- + Aids for housing

- + Imputed rent
- + Income from renting a property or building
- + Interests, dividends and profit from capital investments in unincorporated enterprises
- + Periodic monetary transfers received from other households
- + Income received by children under 16 years old
- Interests paid on mortgage loans

---

#### HOUSEHOLD'S TOTAL DISPOSABLE INCOME

The household's total disposable income is calculated as follows:

- + Monetary or quasi-monetary gross income of the wage-earner
- + Non-monetary gross income of the wage-earner
- + Social contributions paid by the employer
- + Gross monetary profit or loss of freelance workers (including copyright)
- + Value of goods produced for self-supply
- + Unemployment benefits
- + Old age benefits
- + Survival benefits
- + Statutory sick pay
- + Disability benefits
- + Study aids
- + Aids for family/children
- + Social exclusion not elsewhere classified
- + Aids for housing
- + Imputed rent
- + Income from renting a property or building
- + Interests, dividends and profit from capital investments in unincorporated enterprises
- + Periodic monetary transfers received from other households
- + Income received by children under 16 years old
- Interests paid on mortgage loans
- Social contributions paid by the employer

- Income tax and social contributions (includes complementary refunds/payments due to adjustments regarding the income tax, income tax withheld at source and social contributions -if applicable)

- Tax on wealth

- Periodic monetary transfers paid between households

Either the sum of the components of the personal net income (income tax at source and social contributions) of all the household members:

+ Monetary or quasi-monetary income of the wage-earner

+ Non-monetary income of the wage-earner

+ Monetary profit or loss of freelance workers (including copyright)

+ Value of goods produced for self-supply

+ Unemployment benefits

+ Old age benefits

+ Survival benefits

+ Statutory sick pay

+ Disability benefits

+ Study aids

+ Aids for family/children

+ Social exclusion not elsewhere classified

+ Aids for housing

+ Imputed rent

+ Income from renting a property or building

+ Interests, dividends and profit from capital investments in unincorporated enterprises

+ Periodic monetary transfers received from other households

+ Income received by children under 16 years old

- Interests paid on mortgage loans

- Complementary refund/payment due to adjustments on income tax

- Tax on wealth

- Periodic monetary transfers paid between households

Or:

The sum (or subtraction) of the components of the income, some of which are net (income tax, social contributions or from both) and others are gross, after deducting the income tax and social contributions of certain components.

The household's total disposable income before considering social transfers except old age benefits and survival benefits is defined as follows:

Total disposable income **minus** total net social transfers plus old age benefits and survival benefits [that is, total disposable income minus unemployment benefits; statutory sick pay; disability benefits; study aids; aids for family/children; social exclusion not elsewhere classified]

The household's total disposable income before considering social transfers including old age benefits and survival benefits is defined as follows:

Total disposable income **minus** total net social transfers [unemployment benefits; old age benefits; survival benefits; statutory sick pay; disability benefits; study aids; aids for family/children; social exclusion not elsewhere classified]

---

OTHER ELEMENTS THAT ARE NOT CONSIDERED PART OF THE INCOME.

***Contributions to individual private pension schemes***

Contributions to individual private pension schemes during the income reference period refer to pension policies subscribed by each of the households of their own initiative and in their own benefit, regardless of their employers or the Administration and apart from all social insurance system.

These contributions represent the entry for periodic pensions from individual private plans (other than those included in SEEPROS).

Including: contributions to individual private pension schemes concerning old age, survival, illness, disability and unemployment.

***Periodic pensions from individual private plans (other than those included in SEEPROS).***

Periodic pensions from individual private plans (other than those included in SEEPROS) refer to pensions and income received regularly during the income reference period as interests or dividends from individual private pension plans, that is to say, integrally organised plans in which the payer decides to take part independently from the employer or the Administration.

Including:

– Old age, survival, illness, disability and unemployment pensions received via individual private insurance plans as interests or dividends.

Excluding:

- Obligatory public pension systems.
- Obligatory systems pensions paid by the employer.

---

## 10.11 Summary chart of the income and its components

Hereunder is a table with the components of the household's income. For certain elements, the estimate can also be net:

**Chart 1. Income target variables on a component level**

<b>Income components</b>	<b>Target variable</b>
Wage-earner's gross income	Wage-earner's monetary or quasi-monetary gross income  Wage-earner's non-monetary gross income (obligatory as of 2007, except on company vehicles, which will be obligatory as of the first year).  Gross social contributions paid by the employer (obligatory as of 2007).
Freelance worker's income	Gross monetary profit or loss of freelance workers (including copyright)  Value of goods produced for self-supply (obligatory as of 2007)
Imputed rent	Imputed rent (only for the main dwelling) (obligatory as of 2007)
Property income	Interests, dividends and profit from capital investments in unincorporated enterprises)  Income from renting a property or building

---



**Chart 1. Income target variables on a component level**

Income components	Target variable
Current transfers received	<p><i>SOCIAL BENEFITS</i></p> <p>Aids for family/children (gross)</p> <p>Aids for housing (gross)</p> <p>Unemployment benefits (gross)</p> <p>Old age benefits (gross)</p> <p>Survival benefits (gross)</p> <p>Statutory sick pay (gross)</p> <p>Disability benefits (gross)</p> <p>Disability benefits (gross)</p> <p>Social exclusion not elsewhere classified (gross)</p>
Other income received	<p><i>PERIODIC TRANSFERS RECEIVED FROM OTHER HOUSEHOLDS</i></p> <p>Gross periodic monetary transfers received from other households</p> <p>Gross income received by children under 16 years old</p>
Payment of interests	<p>Gross interests paid on mortgage loans (obligatory as of 2007)</p>
Current transfers paid	<p>Income tax and social contributions (gross)</p> <p>Tax on wealth</p> <p>Gross social contributions paid by the employer (obligatory as of 2007).</p> <p>Periodic monetary transfers paid to other households</p>

# 11 Identification characteristics

---

## 11.1 Province

The province where the dwelling where the household regularly lives.

---

## 11.2 Section order number

Code allocated to the section the household belongs to.

---

## 11.3 Personal number

Number allocated to the 'list of persons' the first time the person is registered as a household member. In the transversal component, and in new households with a longitudinal component, it should correspond to the position where the person stands in said list.

---

## 11.4 Household identification number

The household identification number is composed as follows:

1. In the transversal component, the permanent household identification number (ID) is a sequential number.
2. In the longitudinal component, the household identification number (ID) is composed by the number of the household, which is a sequential number, and the branch number.
3. The branch number for the first period is always '00'.

If the household is complete during the next period, it will keep the same household number and branch number.

If ramification applies, the household keeps the household number and the branch number of the following period. Other households, i.e. branched households, keep the same household number, but are given the following branch number available, which will be unique.

When two sample households merge, if the new household is still located at the previous address, it keeps the household number and the branch number of the household living at said address during the previous period. If the new household is addressed at a new location, it keeps the household number and the branch number of the sample person that has the lowest order number in the household.

---

## 11.5 Person identification number.

The person identification number is composed as follows:

1. In the transversal and longitudinal components, the personal identification number is composed by the household ID and the personal number.

2. In the longitudinal component, the household ID is the 'household identification number' where the person appears on the panel for the first time.
3. In the longitudinal component, the personal number for any new household member is obtained adding 1 to the highest personal number used in the household for all years of the survey.
4. In the longitudinal component, the personal ID is permanent during the whole time the person is part of the survey.

# 12 Other characteristics researched in the survey

## A Household variables

---

### 12.1 Basic household information

---

#### AUTONOMOUS COMMUNITY OF RESIDENCE

#### POPULATION DENSITY

This variable is obtained from others using the following classification:

- Densely populated area. Adjacent series of local units, each of which has a density of more than 500 inhabitants per square Km and a total population of at least 50,000 inhabitants.
- Semi-urban or intermediate area. Adjacent series of local units, not belonging to a densely populated area, where each has a density of over 100 inhabitants per square Km and where the total population is at least 50,000 inhabitants or is adjacent to a densely populated area.
- Scarcely populated area. Adjacent series of local units that does not form a densely populated area or an intermediate area.

#### FIRST PERSON IN CHARGE OF THE DWELLING

The person in charge of the dwelling is the household member whose name is on the property deed (owned property) or the lease contract or sub-lease contract (rented dwelling). If the dwelling is used by the household free of charge, the person in charge of the dwelling will be the person to whom it was granted.

#### SECOND PERSON RESPONSIBLE FOR THE DWELLING

If two persons share the responsibility of the dwelling, the eldest will be considered the first responsible person and the youngest will be the second. If more than two persons share the dwelling, the two eldest will be considered the persons responsible for the dwelling

---

### 12.2 Delayed payments either related to the dwelling or not

The survey analyses whether, over the last 12 months, the household has had:

#### DELAYED PAYMENTS OF MORTGAGE LOANS OR RENTS

Including loans on the regular dwelling and mortgages or other loans taken out to purchase it. Excluding other loans for decoration, maintenance, furniture, second dwelling, etc.

#### DELAYED PAYMENT OF WATER, ELECTRICITY, GAS BILLS, ETC.

#### DELAYED PAYMENT OF DEFERRED PAYMENTS

Excluding loans on the dwelling (regular or nor) such as mortgages and other loans taken out to purchase it.

---

### **12.3 Non-monetary indicators of the deprivations of the household, including problems to make ends meet, level of debt and lack of access to essential goods**

CAPACITY TO AFFORD HOLIDAYS OF AT LEAST ONE WEEK A YEAR

CAPACITY TO AFFORD TO PURCHASE ONE MEAL WITH MEAT, CHICKEN OR FISH (OR VEGETARIAN EQUIVALENTS) AT LEAST EVERY TWO DAYS

This variable and the one preceding it consider the sense of the word 'afford', that refers to the household's purchasing power to be able to face the two aforementioned situations, regardless of actually wanting to.

CAPACITY TO FACE UNEXPECTED EXPENSES

AVAILABILITY OF A TELEPHONE (LAND-LINE OR MOBILE) (as of the 2021 reform, collection is no longer available)

This variable and the four subsequent ones analyse if the household has goods, regardless of whether they own them or not.

AVAILABILITY OF A COLOUR TELEVISION (as of the 2021 reform, collection is no longer available)

AVAILABILITY OF A COMPUTER

AVAILABILITY OF A WASHING MACHINE (as of the 2021 reform, collection is no longer available)

AVAILABILITY OF A CAR

CAPACITY TO MAKE ENDS MEET WITH CURRENT INCOME

The following classification is used:

- Very difficult
- Difficult
- Quite difficult
- Quite easy
- Easy
- Very easy

MINIMUM NET MONTHLY INCOME TO MAKE ENDS MEET

Depending on the current circumstances of the household and what the respondent considers "making ends meet" means (as of the 2021 reform, collection ceases).

FINANCIAL LOAD OF THE EXPENSES THE DWELLING REQUIRES

Including the following situations:

- Heavy load
- Reasonable load
- Not a load

The household's total expenses this variable refers to are defined below in the variable "Household's total expenses" (as of the 2021 reform, collection ceases).

#### FINANCIAL LOAD OF PAYMENTS FOR INSTALMENT CREDITS OR FOR RETURNING LOANS

Including:

- The payments the household has to make for instalment credits or to return loans apart from mortgages or other loans related to the dwelling (regardless of whether it is the main dwelling or of any other type).
- Loans not related to the dwelling: loans for consumer goods or services (automobiles, holidays or other durable consumer goods).

Excluding:

- Payments to repay a debt resulting from a lack of payment.
- Payments the household has to make for non-deferred purchases paid by commercial credit card (El Corte Inglés card, etc.) or bank credit card (VISA, American Express, etc.) although the estimate will consider deferred purchases with fractioned payment by credit card.

---

### **12.4 Physical and social environment (as of the 2021 reform this is no longer collected in the annual nucleus)**

SHORTAGE OF LIGHT IN A ROOM

NOISE PRODUCED BY NEIGHBOURS OR FROM THE OUTSIDE

POLLUTION, DIRT OR OTHER ENVIRONMENTAL PROBLEMS

DELINQUENCY OR VANDALISM IN THE AREA

---

### **12.5 Type of dwelling, tenancy regime (rented, owned), conditions of the dwelling**

DWELLING CLASSIFICATION AND TYPE OF BUILDING

The following classification is used:

- Independent single-family dwelling
- Semi-detached single-family dwelling

- Flat or apartment in a building with less than ten dwellings
- Flat or apartment in a building with more than ten dwellings
- Dwelling located in a building used mainly for other purposes (school, office, workshop, etc.)
- Other type of dwelling (barracks, cabin, shack, etc.)

**Independent single-family dwelling.** A single-family dwelling is independent when it shares no walls with another dwelling.

**Semi-detached single-family dwelling.** A single-family dwelling is semi-detached when it shares at least one wall with another dwelling. Single-family dwellings in towns or villages that are part of the houses in a street, road, etc. are obviously attached to one another and are therefore considered "Semi-detached single-family dwellings".

**Dwelling located in a building used mainly for other purposes** Those dwellings included physically in the grounds of an establishment that is not used mainly as a main dwelling, such as for example the dwelling of the manager or employee of a school, office, prison, etc. who regularly resides within.

#### TENANCY REGIME

The following classification is considered:

- Property
- Let or sublet at market price
- Let or sublet below the market price
- Free of charge

A dwelling is owned when the owner of the dwelling is a member of the household. The following conditions may apply:

- The dwelling has been purchased by one of the household members, both when it has been paid for and when there are payments pending (for example, mortgages loans or different loans related to the purchase of the dwelling).
- The dwelling was inherited or received as a donation, regardless of whether any sort of encumbrance may be applicable to the dwelling.
- The members of the household are not yet the legal owners of the dwelling, although they are the natural owners by transfer, inheritance or another modality, when the legal owner passes away, emigrates, etc.

If the dwelling is granted by a relative (like a parent to children) that is not a household member, the tenancy regime applicable to the household is considered in terms of whether the household does or does not pay rent.

A dwelling is considered **let or sublet at market price** when one of the household members pays an amount in cash or kind at market price, regardless of whether there is a contract. No distinction is made between a dwelling let directly by the owner or let by a person who is a tenant (sublet). For the survey, this category also includes

households that advance the payment of the rent (at market price) and are then receive a refund from public aid funds for housing or with funds from any other source.

A dwelling is considered **let below the market price** when one of the household members pays an amount below the established market price for the use of the dwelling in cash or kind. This also includes the cases where by law the rent cannot be upped (fixed rent houses), or when the dwelling is granted at a price below the market price by a company or organisation where a household member works, by public or private non-profit institutions, by relatives, etc.

A dwelling is granted **free of charge** when the household does not pay rent, since it has been granted by the company or organisation where a household member works, or by other households or institutions. For the survey, this category does not include the case of a dwelling provided free of charge when the household must advance the payment for the rent and then be refunded by a source like public housing aids, private non profit institutions, etc.

#### NUMBER OF ROOMS IN THE DWELLING

A room is the space located in the family dwelling that fulfils the following requirements:

- It is enclosed by walls that go from floor to ceiling or are at least 2 metres high.
- It is big enough to accommodate an adult bed (at least 4 square metres)
- It is at least two metres high in most of its surface.

Nuances as regards the definition of *room*:

The total number of rooms includes bedrooms, living rooms, dining rooms, lounges, offices, play rooms, rooms for the domestic service, rooms or halls to receive guests, and any other areas that fulfil the aforementioned basic requirements and are used or can be used for residential purposes.

Kitchens will be included if they measure 4 square metres or more.

The total number of rooms does not include bathrooms or toilets, balconies, corridors, halls, dressing rooms or larders. Galleries and green houses will be counted if they are used all year round and fulfil the aforementioned requirements about isolation and dimensions.

Excluding rooms used exclusively for professional purposes.

Lumber rooms, basements and lofts are included as rooms if as well as fulfilling the basic requirements to be considered as such, they can be accessed from inside the dwelling and are used for residential purposes.

Dwellings accommodating two or more households for households that accommodate more than one household, the owner household or the household on the rent contract is allocated all the rooms, except those used exclusively by the other households, which will obviously be allocated to the latter.



## YEAR OF PURCHASE CONTRACT OR TENANCY LEASE

If the tenancy regime is "ownership," the survey refers to the year the contract was signed, and when dealing with inherited or donated dwellings, the survey refers to the year the inheritance or donation was performed, even when this does not coincide with the year the dwelling was constructed, when it was occupied or when the household went to live in the dwelling.

If the tenancy regime is "let" it refers to the year the lease was signed or when it was subrogated. If there were no contract or if it had been signed after the first year of rent, the survey considers the date of the verbal agreement.

LEAKS, DAMPNESS ON FLOORS, WALLS, CEILINGS OR FOUNDATIONS, ETC.  
(as of the 2021 reform this is no longer collected in the annual nucleus)

CAPACITY TO KEEP THE DWELLING AT AN APPROPRIATE TEMPERATURE DURING THE COLD MONTHS

---

## 12.6 Dwelling expenses

### MONTHLY RENT FOR THE DWELLING

Refers to the total of the last monthly rent payment. If the rent is paid every two, three months, etc., the appropriate calculations will be performed to obtain the monthly amount.

Excluding the amount due for other associated expenses (community, water, light, etc.) even when they appear on the bill.

The total amount of the aids received, i.e. if the household receives aids in cash from any given source to face the payment of the rent such as aids from public social assistance funds, or if the rent is covered, totally or partially, by a public or private non-profit institution, company or other organism, the survey will consider the full amount paid for the rent of the dwelling. Therefore, the survey will consider the amount the household has paid from its budget as the rent plus the amount of the aid received.

### SUBJECTIVE RENT FOR DWELLINGS THAT ARE NOT RENTED

Estimate of the amount that, according to the respondent, the household would have to pay for the monthly rent of the dwelling inhabited, at the going market price and unfurnished (i.e., for a dwelling with the same characteristics as regards age, facilities and area), if the house is owned, rented at a price below the going market price or is used free of charge.

### TOTAL EXPENSES CONCERNING THE DWELLING

The **total expenses** concerning the dwelling are related to the right to live in the dwelling. These expenses include:

- a) If the dwelling is owned:
  - Payment of interests on mortgage loans or any other type of loan requested to purchase the regular dwelling.

- Other types of expenses such as house insurance -referring solely to the container-, community expenses, tax on the ownership of real property, rubbish collection tax and other municipal taxes, regular repairs and maintenance.
  - Expenses derived from actually using the dwelling, such as water, electricity, gas, fuels, etc.
- b) If the dwelling is rented:
- Payment of the rent.
  - Other types of expenses such as house insurance -just the container-, community expenses, tax on the ownership of real property, rubbish collection tax and other municipal taxes, regular repairs and maintenance.
  - Expenses derived from actually using the dwelling, such as water, electricity, gas, fuels, etc. if paid by the tenant.
- c) If the dwelling is used free of charge
- Other types of expenses such as house insurance -referring solely to the container-, community expenses, tax on the ownership of real property, rubbish collection tax and other municipal taxes, regular repairs and maintenance if paid by the household living in the dwelling.
  - Expenses derived from actually using the dwelling, such as water, electricity, gas, fuels, etc. if paid by the tenant.

---

## 12.7 Facilities of the dwelling (as of the 2021 reform, collection ceases)

Analyses whether the dwelling has the following facilities:

### BATH OR SHOWER

A dwelling has the service when it is equipped with a permanent bath or shower.

In dwellings that are shared by more than one household, the second (and successive) households are considered to have a bath or shower as long as they have access to them.

### TOILET WITH RUNNING WATER INSIDE THE DWELLING

The answer is affirmative if the dwelling has a permanent facility with running water inside the dwelling that is suitable for evacuating human waste.

In dwellings that are shared by more than one household, the second (and successive) households are considered to have a toilet as long as they have access to it.

## **B. Variables referred to all household members**

---

### **12.8 Demographic information**

MONTH OF BIRTH

YEAR OF BIRTH

SEX

NATIONALITY 1

Depending on the classification of the variable "country of birth."

NATIONALITY 2

This variable considers the possibility of a person having two nationalities.

FATHER'S IDENTIFICATION NUMBER

MOTHER'S IDENTIFICATION NUMBER

SPOUSE OR PARTNERS IDENTIFICATION NUMBER

SITUATION AS REGARDS BASIC ACTIVITY DURING THE PREVIOUS WEEK:

The possible situations are:

- Working
- Unemployed
- Retired or early retirement
- Other financial inactivity.

SITUATION AS REGARDS THE MAIN ACTIVITY DURING THE YEAR BEFORE THE INTERVIEW (FORMER MEMBERS)

The possible situations are:

- Working
- Unemployed
- Retired or early retirement
- Other financial inactivity.

RESIDENCE SITUATION

Considering the options:

- Present
- Absent

A household member is present if they sleep in the dwelling at least one night during the interview period. The person is considered absent if they do not sleep in the dwelling any of the nights of the interview period.

## **C. Variables related to household members aged 12 years old or under**

---

### **12.9 Nursery and childcare services**

For each of the services listed hereunder, the survey considers the number of hours a week children aged 12 or under on December 31st of the year prior to the survey usually spend in education centres or being looked after. A "normal week" is a week other than parent's or children's holidays in the period from January-June.

**PRESCHOOL EDUCATION (0 TO 3 YEARS OLD) OR CHILD EDUCATION (3 TO 6 YEARS OLD)**

#### **Preschool education (0 to 3 years old)**

Including:

- The first cycle of child education
- Other socio-educational, public or private centres, unauthorised by the Educational Administration that regularly care for children under three years old.

Therefore, this includes play schools, nurseries, kindergarten, etc.

The information includes all the time the child stays in the centre or the time the service is rendered, without making a distinction between the hours dedicated to education or to care.

Children may be looked after part or full-time, or even by the hour.

Also including the care of children with special needs aged between 0 and 3 years old on December 31st of the year prior to the interview.

#### **Child Education (3 to 6 years old)**

Including the second cycle of child education, which is voluntary and for children aged from 3 to 6 years old.

Child education is taught by staff who have the corresponding official training.

This education appears both in child education centres authorised by the Educational Administration (Autonomic Administrations) to teach child education and in other types of school.

Care for children with special educational needs (physical or mental disabilities) in specific special education centres is also included in this section.

**OBLIGATORY EDUCATION (PRIMARY OR SECONDARY OBLIGATORY EDUCATION)**

Referring mainly to the first stage of obligatory education (primary education). Includes six academic years, from ages six to twelve. Also including basic obligatory education (special education) for children within that age group.

As this variable is analysed for children aged 12 or below, there may also be children aged 12 who are in the first stage of obligatory secondary education.

#### CHILDCARE CENTRES THAT ARE OPERATIVE OUTSIDE SCHOOL HOURS (BEFORE OR AFTER SCHOOL HOURS, EVEN IN THE CENTRE ITSELF)

This variable refers to the children who go to both child education centres and to obligatory education centres and are looked after outside school hours.

This care can refer to the actual school or to other centres.

Cultural or sport activities undertaken after school hours, like music, dance, crafts..., are only included if they are used mainly to look after the children, not to partake in leisure activities.

This option is not valid for children between 0 and 3 years old (included in the preschool or child education section).

#### OTHER CHILDCARE CENTRES

Other childcare centres such as:

- Care outside the educational sector that can overlap with the hours of non-obligatory schooling. For example, if a 4-year-old child is in child education and is looked after in another centre on Saturdays, said time will be included in this section.
- Family networks organised by an institution, where children are looked after at a child minder's house.

This option is not very frequent in Spain. It may include children of all ages.

#### REMUNERATED PROFESSIONAL CHILD MINDERS AT THE CHILD'S HOUSE OR THE CHILD MINDER'S HOUSE (NANNIES, MAIDS, BABY-SITTERS, ETC.)

Included when there are direct agreements between the child minder and the parents: the parents hire the child minder and pay him/her directly. "Professional" means that looking after children is the person's job or remunerated activity, it does not refer to a qualification or to the quality of the care provided. Also including nannies, "baby sitters" and "au-pairs".

Services may be rendered at the child's or the child minder's house.

Children may be looked after part or full-time, or even by the hour.

#### CHILDREN LOOKED AFTER BY OTHER UNPAID PERSONS (E.G. GRANDPARENTS, HOUSEHOLD MEMBERS OTHER THAN THE PARENTS, OTHER RELATIVES, FRIENDS, NEIGHBOURS, ETC.)

Including unpaid child care (informal or free arrangements).

If a neighbour or friend who looks after the children is paid for these services, the hours should be included in the previous section.

The child may be looked after at the child's, relative's, neighbour's or friend's house.

Children may be looked after part or full-time, or even by the hour.

## **D. Variables related to the adult household members**

---

### **12.10 Demographic information**

#### MARITAL STATUS

- Single
- Married
- Separated
- Widowed
- Divorced

Considering the person's legal situation. Thus, if the person is married and in the middle of separation (legal situation, married, de facto situation, separate), in this survey the person is considered to be *married*.

If the person is legally separated but in the middle of a divorce, s/he is considered *separated*.

#### SITUATION AS REGARDS COHABITATION

- Common law couple (legal basis)
- Common law couple (no legal basis)
- No common law partner

#### COUNTRY OF BIRTH

---

### **12.11 Education, including highest level obtained (according to NCED)**

#### RECEIVING SOME KIND OF EDUCATION OR TRAINING

Receiving an education means to be following an educational programme, without considering interruptions due to holidays or jobs performed temporarily.

An educational programme is a series or sequence of educational activities organised to attain a specific goal. "Attaining a goal" stresses the fact that at the end of the educational programme, students are granted a certificate or accreditation in recognition of their studies, although this is not necessary.

## TYPE OF STUDIES IN PROGRESS

If two or more studies are in progress, the variable will consider that of highest level or, if this is not possible, the one the respondent considers the most important. If in doubt, the most important will be the study to which the respondent dedicated most hours over the last four weeks.

YEAR WHEN THE HIGHEST LEVEL OF EDUCATION WAS ATTAINED (as of the 2021 reform, collection is no longer included)

Year when the studies the variable refers to were completed.

## LEVEL OF EDUCATION ATTAINED

Education is considered completed if the respondent is in possession of the corresponding degree or diploma or if, s/he has passed all the subjects included in the degree or course even if s/he has not requested the corresponding degree/diploma.

Information on completed education is coded using the *National Classification of Education* (NCED-2000) with 2 digits.

This will also consider professional education lasting over 300 hours (or, if the respondent does not know the specific number of hours, education lasting at least 6 months) that have increased the person's level of training.

Studies commenced and not completed (for example, two years of a three-year university course) are not included in this variable.

If a person has more than one degree, the highest degree will be considered.

This variable will include the first cycle of two-cycle studies (or the corresponding credits) for respondents studying two-cycle courses who have not completed the second cycle. As regards Engineering degrees, this variable will include persons who have completed their degree but have not finished their dissertation.

---

## 12.12 Basic data on the current labour situation and the current job itself, including information on the last main job when referring to unemployed persons

### CURRENT SITUATION AS REGARDS ACTIVITY (SELF-CLASSIFICATION)

Possible situations:

- Working full time (wage-earner, apprentice or worker undergoing training under a public employment programme, employer, entrepreneur without wage-earners, independent worker or family aid)
- Working part time
- Unemployed
- Student, schoolchild or person undergoing training
- Retired person, or early retirement or has closed a business

- Permanently handicapped for work
- Other tasks, childcare or looking after other persons
- Other type of economic inactivity

The term current refers to the day of the interview, and does not consider merely transitory situations. For example if a person loses a job, or has recently retired, or their activity has changed definitely, they must refer to their last situation.

#### PREVIOUS WORK EXPERIENCE

Including jobs that envisage full or part time working days and last at least six months.

Excluding jobs the respondents perform sporadically or occasionally, that do not reflect the genuine incorporation of the respondent in the labour market.

If the respondent had had the intention to work for at least six months but had been rendered unemployed or changed job before the end of the period, the situation would be considered as work.

#### ACTIVELY SEEKING EMPLOYMENT (as of the 2021 reform, collection will cease)

A person is actively seeking employment when:

- They have contacted one of the Administration's job centres
- They have contacted a private job centre
- They have been in touch with businesspersons
- They have contacted relatives, friends and other contacts
- They have placed an advert in the press, radio, etc.
- They have taken an exam or had an interview for a work position
- They have sought land, premises, etc. to set up business as freelancers

AVAILABILITY TO WORK IN THE COMING 2 WEEKS (as of the 2021 reform, this will no longer be collected)

#### PROFESSIONAL SITUATION

(Persons who are not working at present are asked about their last main employment)

Definition of each of the categories considered in the professional situation:

- **Employer.** Person who runs his or her own company or independently carries out an activity, trade, industry or business and hires one or more employees or workers who are paid by salary, day's wage, commission, etc.
- **Entrepreneur without employees or independent worker.** Person who runs his/her own company or independently carries out an activity, trade, industry or business without having dependent workers.

This section also includes persons who run their own business exclusively with unpaid family assistance.



– **Wage-earner.** Group of persons who work for a public or private entrepreneur and receive a wage, salary, commission, bonus or any other form of remuneration in cash or in kind.

– **Family Assistance.** Considers persons who work without a specific pay in a company, business or farm owned by a relative they live with.

#### OCCUPATION

(Persons who are not working at present are asked about their last main employment)

**Occupation.** Type of work performed specifying the corresponding work position.

Coded according to the 1994 National Classification of Occupations (NCO-94) with two digits.

#### NUMBER OF HOURS WORKED A WEEK IN THE MAIN JOB

All hours, including overtime hours, paid or unpaid, during which the respondent has worked normally at his/her main activity, excluding the time to get to and from the workplace and interruptions for meals.

#### NUMBER OF HOURS WORKED A WEEK IN ADDITIONAL JOBS

#### CURRENT MONTHLY SALARY FROM MAIN JOB

Using the variable "Wage-earner's monetary or quasi-monetary gross income" changing the time reference.

---

### 12.13 Basic information on the employment situation during the year prior to the interview

NUMBER OF MONTHS WORKING FULL TIME IN THE YEAR PRIOR TO THE INTERVIEW

NUMBER OF MONTHS WORKING PART TIME IN THE YEAR PRIOR TO THE INTERVIEW

NUMBER OF MONTHS UNEMPLOYED IN THE YEAR PRIOR TO THE INTERVIEW

NUMBER OF MONTHS RETIRED IN THE YEAR PRIOR TO THE INTERVIEW

NUMBER OF MONTHS STUDYING IN THE YEAR PRIOR TO THE INTERVIEW

NUMBER OF MONTHS INACTIVE IN THE YEAR PRIOR TO THE INTERVIEW

---

### 12.14 Detailed employment information

#### ACTIVITY OF THE ESTABLISHMENT

The concept **establishment** used in the survey coincides with the local unit. A **local unit** is a place that is topographically limited where one or several persons carry out production activities, and that corresponds to a single company or part of a company (workshop, factory, warehouse, offices, mine, depot).

The different financial activities carried out in workplaces can be grouped into three types of activities: **auxiliary, main and secondary**

Auxiliary services are not considered when determining the establishment's main activity.

An establishment's **main activity** is the activity that contributes the most to the gross added value of the cost of the factors of the statistical unit (the actual establishment).

The question on the financial activity always refers to the **establishment's activity** and not to the company's activity, since one same company may own different establishments performing different activities.

Activities are coded with two digits following the 1993 *National Classification of Economic Activities*.

REASON WHY A PERSON WORKS LESS THAN 30 HOURS (MAIN OR OTHER JOBS)

Possible answers are:

- Studies or training
- Illness or personal disability
- Wants to work more hours but cannot find one or more jobs for more hours
- Does not want to work more hours
- Although the respondent works less than 30 hours, s/he considers this a full-time job
- Works in households, childcare or looking after other persons
- Other reasons

NUMBER OF PERSONS WORKING IN THE ESTABLISHMENT (as of the 2021 reform, this will no longer be collected)

Including permanent and temporary workers. If the number of workers at the establishment changes notably over the year, the survey will consider the number of persons working during most of the year (without considering the times when this figure increased or decreased), unless this is caused by seasonal activity (for example, seasonal hotel establishment, seasonal farms, etc). In this case, the survey will use the number of workers in a typical period of activity.

The survey considers both workers and employers, independent workers and members of co-operatives.

TYPE OF CONTRACT

The following classification is considered:

- Indefinite duration permanent contract
- Determined duration temporary Contract

This question classifies contracts in very vast sections, in order to frame the different types of contracts existing at each moment in one of them, since they may vary according to the employment policy developed by the Administration.

In general terms, a **job** can be defined as **temporary** when the employment relation or the contract is determined by objective conditions, such as the expiry of a certain deadline, the performance of a specific task, the reincorporation of an employee who was temporarily replaced, the performance of work placement or a training period or the replacement of part of the tasks not performed by persons who are partially retired. As regards limited duration contracts, the conditions for their termination is usually envisaged in the contract.

If there are no objective criteria for the termination of the contract or work relation, it is considered **indefinite**.

#### TYPE OF WORK POSITION DEPENDING ON THE RESPONSIBILITY INVOLVED

There are two types:

- Supervising
- Not supervising

The first type includes positions that involve a "leadership responsibilities" or "influence on monetary retributions or promotions" of the person's whose work they supervise. Leadership responsibilities refers to the management and the control of the work but is not necessarily identified with the relevance of the job performed in the production process or the organisation of the company.

CHANGE OF JOB SINCE LAST YEAR (as of the 2021 reform, this will no longer be collected)

Reason for changing job

Reasons are classified as follows:

- Obtain a better or more appropriate job
- Termination of temporary contract or employment
- Obligation due to company reasons (early retirement, dismissal, closure of the company, excess workers or similar reasons)
- Sale or closure of owned or family business
- Childcare, looking after elderly people, disabled persons, etc.
- Marriage or spouse's or partner's job requires changing place of residence
- Other reasons

#### LAST CHANGE OF EMPLOYMENT SITUATION

Refers to the last change between the activities employed, unemployed, retired or inactive.

It includes:

- Working-unemployed
- Working-retired
- Working-inactive
- Unemployed-working
- Unemployed-retired
- Inactive-retired

---

## 12.15 Previous activities

### BEGINNING OF FIRST EMPLOYMENT

Refers to the age the person found his or her first employment after completing studies, although if studies were continued whilst the person had found a formal and regular job, said job may be considered the first employment.

Normally, the work considered should have required 15 hours a day or more, and lasted six months minimum, unless the respondent had been unemployed or changed employment before these six months were up.

Excluding jobs the respondents perform sporadically or occasionally, that do not reflect the genuine incorporation of the respondent in the labour market.

### NUMBER OF YEARS WORKING

This refers to any type of job, self-employed, employed by others, etc. Possible interruptions that could have appeared are not included in the total figure.

This section also includes the period during which a person has a job but is not working due to maternity, sick leave, technical causes, etc.

---

## 12.16 Calendar of activities during the year prior to the interview

Requesting information on the main activity month by month.

The following situations are considered when classifying the activity:

- Full time wage earner
- Part time wage earner
- Full time self-employed worker
- Part time self-employed worker
- Family assistance
- Unemployed
- Retired or persons who do not work

- Student, schoolchild or person undergoing training
- Other type of economic inactivity

---

## 12.17 Health, including state of health and chronic disease or situation

### GENERAL HEALTH STATUS

The following classification is used:

- very good
- Good
- Acceptable
- Poor
- Very poor

The classification is left to the respondents opinion.

The different dimensions of mental or physical health are considered.

### PRESENCE OF A CHRONIC ILLNESS OR DISABILITY

**Chronic illness.** A chronic illness is a long-term complaint that is not due to acute isolated processes.

Only considering illness that have been diagnosed by health professionals. Not including those a person thinks or is convinced s/he has, without medical confirmation.

### LIMITATION TO CARRY OUT DAILY ACTIVITY FOR AT LEAST THE LAST 6 MONTHS

**Limitation to carry out daily activity.** An activity is limited by a physical or mental health problem when the respondent considers it to be so.

Daily activity refers to those **everyday activities** the person performs on a regular basis, like going shopping, going to work...

The following conditions are considered regarding the limitation:

- Yes, intensely
- Yes, to a certain degree
- No

---

## 12.18 Access to health assistance

### HAVE NOT BEEN TO THE DOCTOR WHEN IN NEED

### MAIN REASON FOR NOT HAVING BEEN TO THE DOCTOR WHEN IN NEED

Classified as:

- Could not afford it
- Waiting list
- Not enough time due to work or having to look after children or other persons
- The doctor's surgery is too far away or there are no means of transport
- Scared of doctors, hospitals, check-ups, treatments, etc.
- Waiting to see if the problem will improve on its own
- Does not know appropriate doctors or specialists
- Other reasons

The "waiting list" option is applicable both to persons who are too discouraged to request an appointment after seeing the long waiting list, and persons who have requested an appointment and are on the waiting list.

HAVE NOT BEEN TO THE DENTIST WHEN IN NEED

MAIN REASON FOR NOT HAVING BEEN TO THE DENTIST WHEN IN NEED

The survey uses the same classification as the reasons for not going to the doctor.

## E. Variables that refer to incidents during fieldwork

In order to obtain microdata files, certain variables are required to sort incidents that occur when in contact with the households, during the follow-up and when completing the different questionnaires. These variables are generated independently for the transversal and longitudinal components.

The following list presents each variable and the different values applicable.

---

### 12.19 Households

SITUATION OF THE HOUSEHOLD IN THE SAMPLE

Using the following values:

*Households from the previous period that are still in the sample*

- At the same address as in the previous period
- The whole household (panel persons) has moved to another family dwelling in the national territory

*Households from the previous period that are no longer in the sample*

- The whole household (panel persons) has moved to a group dwelling or institution in the national territory

- The whole household (panel persons) has moved outside the national territory
- Death (panel persons) of all the household members
- The household has no sample persons

*Households from the previous period with uncontacted address*

- Impossible to contact the household at the available address (dwelling not accessible, ignorance of what has happened to the household)

*Households enter the sample for the first time*

- Branched household
- New household added to the sample or first period

*Merged household*

- Merged household

CONTACT WITH THE DWELLING

Using the following values:

- Address contacted

*Address not contacted*, refers to when the household cannot be contacted due to different reasons concerning the address: address cannot be located or accessed, the address does not exist, the dwelling is empty or used for purposes other than as a main dwelling.

- Housing that cannot be located
- Inaccessible housing
- Dwelling is empty or used for other purposes or has been demolished

RESULTS OF THE HOUSEHOLD QUESTIONNAIRE:

Using the following values:

- Household questionnaire completed

*Household questionnaire not completed. Reason:*

- Refusal to take part
- Temporary absence of the whole household during the period the field work was underway.
- The household cannot answer (illness, disability...)

HOUSEHOLD INTERVIEW ACCEPTED

Using the following values:

- Interview accepted for the database
- Interview not accepted for the database (because no personal interviews have been completed)

---

## 12.20 Persons

### SITUATION OF THE PERSON AS REGARDS THE SAMPLE

Using the following values:

- Panel person
- Co-resident person

### SITUATION OF THE PERSON IN THE HOUSEHOLD

Using the following values:

#### *Current members of the household and*

- Household member (only applicable in the first period)
- Was a member of this household in the previous period, or in previous periods
- Is in this household but comes from another sample household
- Is in this household but comes from another outside the sample
- Born into this household after the previous interview
- Not current household members
- Has moved since the previous period or if there was no contact with said household, since the last interview
- Deceased
- Resided in the household at least three months of the year prior to the interview and was not included in this household's record (former member)

### TYPE OF DESTINATION HOUSEHOLD IN CASE OF TRANSFER

Using the following values:

- To a private household in the national territory
- To a group household or institution in the national territory
- Outside the national territory
- No information available

### MONTH WHEN PERSON MOVED OR DIED

### YEAR WHEN PERSON MOVED OR DIED

### NUMBER OF MONTHS IN THE HOUSEHOLD DURING THE YEAR PRIOR TO THE INTERVIEW

### MONTH OF ARRIVAL TO CURRENT HOUSEHOLD

### YEAR OF ARRIVAL TO CURRENT HOUSEHOLD



## RESIDENCE SITUATION

Using the following values:

- 1- Currently at the household
- 2- Temporarily absent

## SURVEYABLE PERSON

Using the following values:

- 1- Surveyable: current household members aged 16 or over on December 31 of the year prior to the interview
- 2- Not surveyable: current household members aged under 16 on December 31 of the year prior to the interview

## RESULTS OF THE INDIVIDUAL QUESTIONNAIRE

Using the following values:

*Completed information or interview*

- Completed questionnaire

*Contact occurred by the information has not been completed. Reason:*

- Person unable to answer (and the "proxy" interview could not be used)
- Has not returned the Individual questionnaire completed
- Refusal to take part

*No individual contact and no information completed. Reason:*

- Person temporarily absent (and the "proxy" interview could not be used)
- No contact for other reasons

*Information not completed*

- Information not completed, for other reasons

## TYPE OF INTERVIEW

Using the following values:

*Individual questionnaire completed via*

- 1- Personal interview with the subject
- 2- Telephone interview with the subject
- 3- Completed by the person in question
- 4- Information provided by another household member ("proxy" interview)

# 13 Collection of the information

---

## 13.1 Collection method

The collection method is mainly a personal interview with the members of each of the households under study, who are considered surveyable when the interview is performed. The interviewer visits the houses and requests the information needed to complete the questionnaires; each household is visited as many times as necessary to collect all the information required. Interviews are supplemented with phone calls to obtain or correct mistaken information.

The information is collected over three months of fieldwork in the first semester of the year.

During the first cycle of the survey, information is collected filling in questionnaires on paper. As of the second cycle, the interviewers use a laptop computer to collect the different questionnaires during the fieldwork.

The (basic) LCS questionnaires are:

- Household file, mainly collecting basic data on the household members.
- Household questionnaire, collecting information on the dwelling, equipment, financial situation and household's income.
- Individual questionnaire, collecting individual data on each of the surveyable household members, i.e. persons over 16 or more on December 31 of the year prior to the interview. Data refer to activity, personal earnings, health, education, biographical information and professional experience.

As of the Living Conditions Survey 2013, a new methodology has been adopted in the production of data relating to household income, combining the information provided by the respondent with the administrative files. This change in the methodology for obtaining household income causes a rupture of the series in those indicators related to income. Retrospective estimates of household income-related indicators have been made since the 2008 survey that are comparable with the 2013 data.

As of the 2021 survey, the multichannel method has been introduced, offering the household the possibility of responding online (CAWI), conducting the survey by telephone interview or by face-to-face interview.

---

## 13.2 Documentation used

All the documentation for the survey (both on paper and on the computer application) is grouped into the different sections:

- Basic documentation (questionnaires).
- Auxiliary documentation.
- Auxiliary material and other documents: informative, methodological, etc.

### A. BASIC DOCUMENTATION (QUESTIONNAIRES)

The survey includes the following questionnaires:

- **Monitor File (MF)**. Only used for panel-households (i.e. households in a period beyond period 1). Brief questionnaire that collects the monitoring variables that will be used to monitor the household.

- **Household File (HF)** There are two versions of this document, for 'panel' households or 'sample-new' (i.e. depending on the period the household is in). In both cases the file is used for two purposes:

A) Panel household:

The first part collects complementary monitoring information (basic monitoring information is collected in the 'Monitor file').

The second part collects certain basic characteristics on household members and some general data on the household, such as the person responsible for the dwelling.

B) Sample-new household:

The first part includes questions to determine who the household members are and if any other household shares the same dwelling.

The second part is the same as for a panel-household.

- **Household Questionnaire (HQ)**. To collect information on the household as such, providing data on the dwelling, equipment, financial situation and certain household income.

- **Individual Questionnaires (IQ)**. To collect information on each and every household member that is aged 16 and over the year prior to the interview. Data on activity, personal income, health, education, biographical information and personal experience.

- **Non-Response Questionnaire (NRQ)** Questionnaire completed only for original dwellings that present any of the following incidents during period one: absence, inability, refusal, no individual questionnaire or other reasons.

## **B. AUXILIARY DOCUMENTATION**

**Section Directory (SD)** This form contains basic data (especially the address) on households or dwellings selected, in terms of a 'panel' or 'new-sample' household. It is printed out and used as the access guide for the address, instead of having to check it on the laptop computer.

Sections in the new-sample contain the addresses for 8 original dwellings and 8 reserve dwellings.

The back of this document includes a table to note 'Visits without contact' and a guide of initial instructions and basic definitions, that differ in terms of it being a 'panel' section or a 'new-sample'.

**Slip used to carry out interview.** This document is used when there is nobody at the dwelling who can provide the information required.

**Next visit slip to make another appointment to complete data.** This document is used when the Interviewer has contacted the household and obtained part of the information required, but needs another interview to complete the information.

## C. AUXILIARY MATERIAL AND OTHER DOCUMENTS

**Envelope stickers** to send out the letter of introduction. These stickers include the name of the reference person for the dwelling and the postal address.

**Interviewer Manual.** This document described the interview and the tasks the Interview is expected to perform. Including concepts, a detailed description of the questionnaires and how to complete them.

**Head of Area Manual.** This document contains rules on how Heads of Area should behave.

**Coding Manual.** Including the codes to be used for questions noted literally and coded numerically subsequently.

**Letter of introduction.** Sent by post to each of the households (dwellings) selected before starting to collect information. There are three different models: original households in the "new-sample", for reserve households in the "new-sample" and for "panel households".

---

### 13.3 Organisation of the fieldwork.

Information is collected in all provinces, but only from 38 of them, called areas, and the process is directed by an inspector from the Statistical Body of Qualified Technicians.

In order to perform fieldwork, there are 190 interviewers distributed around all the collection areas, who are expected to collect information from selected households.

The task is complemented, during subsequent office work, with the revision, coding of all pending information and analysis of the internal coherence of the data included in all the questionnaires for each household, and remission of the information to the INE's Central Services.

An intermediate figure performs tasks involving control, inspection, etc.: the interviewer inspector. There are 45 interviewer inspectors, and depending on the number of interviewers there may be more or less per area.

In order to train the personnel working for this survey, appropriate manuals have been prepared and training courses have been organised.

#### A. TASKS PERFORMED BEFORE FIELDWORK

The unit considered to develop fieldwork is the section. After allocating a section to an interviewer, they are given work material on said section.

Before travelling to the section to interview the household, the interviewers work in their offices preparing and organising the documentation they will take with them and plan the route they will follow.

it is important to consider the order of the interviews with each household in the section is not pre-established. Therefore the interviewers can organise them as best suits them.

## **B. FIELDWORK**

### **Locating the dwelling**

Once in the section, the interviewer locates the addresses where the interviews will be carried out, as they appear in the Section Directory (SD), using the plan or A-Z for the section, and following the itinerary established in the office.

It is important to stress the importance of the correct identification of the household or dwelling selected, depending on whether it is a section of panel-households or new-sample.

The process is sometimes different for either type of section. The basic difference is that a section of panel-households are households that resided at the address during the previous cycle and collaborated in the survey. Therefore, it is a case of locating that address and contacting the members of that household. As regards new-sample sections, the SD includes the address of the dwelling selected, which is usually the main family dwelling; the reference person that appears in the SD usually resides in the dwelling.

### **Problems encountered when contacting the household members**

If when the dwelling that corresponds to the address and the reference person that appears in the SD is located no person can be contacted in the household/dwelling, this is noted on the back of the SD and the Slip used to carry out interview is filled in appropriately.

It will be necessary to repeat the visit as many times as needed, varying the hours in different journeys to the section, until exhausting the number of attempts before considering the household is 'Absent'.

Likewise, if once the household has been contacted the person who has to answer one of the questionnaires is not in the dwelling or not all the information required has been obtained, the interviewer has to arrange another visit for later in the same day or another day when the section is going to be visited, leaving a Next visit slip to make another appointment to complete data with the household.

### **Performing the interview**

#### **A) Aspects to consider during the interview**

The interviewer is the person who is in direct contact with the respondents and the collaboration of the persons and the information they provide depend greatly on their skill. Therefore, the goal is to obtain reliable and valid answers from the persons interviewed. It is essential to strike up a good relationship with the respondents.

If initially, or afterwards, at any time during the interview, the interviewer notes that it is not the right time to continue his or her visit, they will apologise and arrange another appointment for a more suitable time, leaving a Next visit slip to make another appointment to complete data, since it is preferable to delay the interview than to cause a refusal.

## **B) Initial contact and search for an *ideal respondent***

After contacting an adult person in the dwelling, the interviewers introduce themselves, duly showing their INE interviewer ID, and briefly state the reason for their visit, referring to the Letter of Introduction sent by the INE.

They briefly summarise the content of the survey and attempt to obtain the ideal respondent as defined in section 9.4.

Subsequently, the questionnaires are completed.

## **C) Completing the questionnaires**

**a) Panel-house case** Interviewers must complete the Monitor File (MS), the Household File (HF), Household questionnaire (HQ) and the Individual questionnaire (IQ) for each household member that is '*surveyable*'.

The questionnaires must be completed in the following order:

The first thing to complete is the MF. This will establish the current situation of the persons who were household members the previous year and, as a consequence, the household's current situation. The next step is to complete the HF, with complementary monitoring data for these persons; the next section 'Data on household members' includes basic data on each household member.

After obtaining the information for the HF, the remaining information (Household Questionnaire and Individual Questionnaires for each of the '*surveyable*' persons) will be gathered depending on the household's characteristics. Normally, after the HF, the HQ should be completed with the same respondent, as long as the person is still a household member, and then the IQs should be completed in terms of the preference and availability of the household members.

Finally, after completing all the questionnaires, the interviewers have to check they have gathered all the information required and can consider the interview completed.

**b) New-sample households.** In this case there is no Monitor File (MF). The Household File (HF) is completed, then the Household questionnaire (HQ) and one Individual questionnaire (IQ) for each of the household members that are '*surveyable*'.

Furthermore, in each of the household where one of these incidents occurs: absence, inability, refusal, no individual questionnaire or other reasons, the interviewers have to complete a Non-Response Assessment Questionnaire (NRQ).

**Dwellings with several households** If the interviewer sees that several households live in the dwelling, each household has to be interviewed separately, finding an ideal respondent and filling in the series of questionnaires separately.

**Interviews with surveyable persons** The ideal respondent for each IQ is the actual subject of the interview, i.e. the person it is addressed to. If this person cannot provide the information due to prolonged absence from the dwelling, the interviewer will attempt to obtain a telephone number so as to perform the interview using this method. If the interview cannot be carried out by phone or the person cannot answer due to other reasons such as illness, disability, cannot speak/read the language, etc., the interviewer will attempt a '*proxy*' interview, i.e., another person resident in the

household that is sufficiently informed provides these data, which will always refer to the subject of the interview, not of the person presenting the information.

### **Filtering in the dwelling itself**

When data collection is done with a computer, it informs the interviewer of the missing data, generates warnings of suspicious values, of possible inconsistencies between variables of the same or different questionnaires,...

As these prompts are produced, the interviewer should check them and, if appropriate, modify any response.

At the end of the questionnaire, the Application informs if it meets the requirements to consider it completed or not, and must act accordingly (for example, if there are too many questions that have been left unanswered, you should try to get some more answered, since in another case the questionnaire will not be valid).

Finally, the close household function informs you of the status of the questionnaires and allows you to end the interview with the household, noting the final result according to the questionnaires collected.

### **C. REPLACEMENT MECHANISM**

'Panel' sections do not use substitutes, and the collection of data in a section will be considered complete when the houses are considered 'closed' due to incidents that may be definitive or provisional.

In the case of 'new-sample' sections, if when households are to be interviewed an incident occurs that prevents their collaboration, the dwelling has to be replaced until the interviewer achieves the goal of the collaboration of households in eight dwellings. Therefore, the sample selected in each section consists of eight dwellings called 'Originals' and another eight called 'Substitutes' (or 'Reserves'). Original dwellings always have to be investigated. Substitutes are not usually used (and should not be investigated). They are only used if any of the original households cannot be used because members do not collaborate.

The original dwellings are the first eight printed in the Section Directory (SD). Substitutes appear below them.

When the household in an original dwelling presents an incident other than Collaborating, it will be replaced with the first substitute, in the order listed in the SD (as long as it is not marked as used). If the substitute dwelling produces the incident, the same steps will be taken. This process will be repeated until obtaining a Collaborating substitute or exhausting substitutes.

The replacement mechanism is performed automatically given the computer application for data collection using a laptop computer.

A new-sample section is completed (collection is completed) when there are eight dwellings with collaborating households or when the eight substitutes have been exhausted. In the first case it means the section has been 'Completed' and in the second that it is 'Incomplete'.

As of the 2014 survey, substitutions were no longer made in the Living Conditions Survey.

# 14 Analysis and dissemination

---

## 14.1 Analysis

The analysis and uses expected of the LCS can be divided into three different types:

1) Descriptive analysis Tabulation of results with the marginal values and the intersections of the main variables under study with regard to the classification categories.

Once more than one LCS cycle is available, this analysis can be extended not only to the traditional transversal approach, compulsory in the first cycle, but also to the assessment of changes, transactions and duration of the actual Panel studies.

2) Methodological studies These studies focus on practical and theoretical aspects considered of interest to researchers in the methodology and on the results of the household surveys that collect data on income and living conditions of the persons and, especially, of those that garner longitudinal information (Panel).

Some of the studies envisaged in these fields are:

- Evolution of the quality of the results regarding income in general.
  - Methodology for the imputation of non-response incidents, both total and partial, transversal and longitudinal.
  - Development of algorithms that relate gross and net income.
- 3) In-depth analysis and theoretical investigation on issues that are of interest to the users of the information near social policy decision-making centres.

The National Statistics Institute will use the final file of the sample corresponding to Spain, paying special attention to the variables and characteristics, or groups of these, for which there are no appropriate alternative sources in Spain (censuses, other surveys, administrative sources...).

---

## 14.2 Dissemination

In order to obtain maximum dissemination and use of the LCS results, as well as the confidentiality of the data, there will be three types of publications:

1) Annual LCS reports, that are mainly descriptive.

Operations performed using the final files of the Spanish LCS, which will add the features considered of interest and with the restrictions applicable considering the sample size used in the territory. An electronic publication will be produced annually, containing the following chapters:

- Dwelling and equipment
- Work and living conditions
- Education and training
- Income
- Poverty



– Longitudinal tables. Years T and T'

2) Microdata files. The Institute will compile normalised user files for all member countries taking part in the project, with personalised and conveniently anonymous information, on all the last units and for each year of the survey.

3) Monographic reports on specific issues (like Poverty, Social protection, ...).

Likewise, the LCS will be the base statistic source to provide certain indicators that will be harmonised on a European level such as Structural Indicators and those envisaged in the National Action Plan for Social Inclusion.

# 15 Definition of indicators

The tables published on the INE website (INEbase) of the Living Conditions Survey were redesigned as from the 2010 survey. This section describes the methodology followed in the production of the main indicators in the new LCS tabulation.

---

## 15.1 Average household income

The Living Conditions Survey provides information on household income received during the year prior to that of the interview.

This income is composed of income from salaried employment, profits/losses from self-employment, social benefits, income from private pension systems not related to work, capital and property income, transfers between other households, income received by minors and the result of the income tax return. Non-monetary components are not included, with the exception of company cars.

The tables published in INEbase provide the average income per household, per person and per consumption unit.

Household income per consumption unit is calculated to take into account economies of scale in households. These are obtained by dividing total household income by the number of consumption units. The latter are calculated using the modified OECD scale, which gives a weight of 1 to the first adult, a weight of 0.5 to other adults and a weight of 0.3 to children under 14.

Once the income per household consumption unit is calculated, it is assigned to each of its members. This income per consumption unit of persons (or equivalent personal income) is used in calculating measurements of poverty risk.

### Imputed rent

Imputed rent constitutes a non-monetary component of household income. It is applied to those households that do not pay a complete rent, either because they are the resident-owners, or because they reside in the dwelling rented at a price under the market price, or because they live in the dwelling free of charge. The amount imputed is equivalent to the going market price of the rent that would have to be paid for a dwelling similar to that occupied, minus any rent actually paid.

The amount of imputed rent is obtained by combining the amount obtained via an objective method, with the subjective rent provided by the household respondent. The objective method used consists of imputing the average of the real rent of dwellings with similar characteristics, in terms of the number of bedrooms, type of dwelling, degree of urbanisation of the area and period of occupation of the dwelling.

In the INEbase tables, the different indicators based on household income are also calculated considering imputed rent.

---

## 15.2 Risk of poverty

**The risk of poverty is a relative indicator measuring inequality. It does not measure absolute poverty, but how many people have low incomes relative to the population as a whole.**

The at-risk-of-poverty threshold is calculated each year on the basis of the income distribution of the previous year. Following the criteria recommended by Eurostat, this threshold is set at 60% of the median income per consumption unit of persons.

The median is the value that, ordering all individuals from lowest to highest income, leaves half of them below the aforementioned value, and the other half above it. Therefore, as this is a relative measurement, its value depends on the income level, and on how income is distributed among the population. Therefore, it increases or decreases in line with the median income.

The value of the poverty threshold, expressed according to total household income, depends on the size of the household and the ages of its members, that is, the number of consumption units in the household.

The at-risk-of-poverty rate is the percentage of persons who are below the poverty threshold.

---

### 15.3 Material deprivation

In the INEbase tables, we publish some aggregated indicators of material deprivation built from seven concepts. The concepts considered are as follows:

- They cannot afford to go on holiday at least one week a year.
- They cannot afford to eat meat, chicken or fish at least every two days.
- They cannot afford to keep the dwelling at an adequate temperature.
- They do not have the capacity to meet unforeseen expenses.
- They have had delays in the payment of expenses related to the main dwelling (mortgage or rent, gas bills, community fees...) in the last 12 months.
- They cannot afford a car.
- They cannot afford a personal computer.

From the above list, we build indicators of the type “households with deprivation in at least three concepts out of a list of seven”.

On the other hand, the indicator of risk of poverty or social exclusion (Europe 2020 strategy) contains a dimension of material deprivation that uses a different list to the previous one that is detailed in the following section.

---

### 15.4 Risk of poverty or social exclusion (Europe 2020 strategy)

The population at risk of poverty or social exclusion is defined according to criteria established by Eurostat.

This is the population that is in at least one of the following three situations:

**At risk of poverty** (60% median income per consumption unit).

**In severe material deprivation.** These are the households that are lacking in at least four concepts from a list of nine. The concepts considered are as follows:

- They cannot afford to go on holiday at least one week a year.
- They cannot afford to eat meat, chicken or fish at least every two days.
- They cannot afford to keep the dwelling at an adequate temperature.
- They do not have the capacity to meet unforeseen expenses.
- They have delays in payments relating to the main dwelling (mortgage or rent, gas or electricity bills, community costs, etc.) or to hire purchase in the past 12 months.
- They cannot afford a car.
- They cannot afford a telephone.
- They can't afford a colour TV.
- They cannot afford a washing machine.

**In households without employment or with low employment intensity.** These are households in which their working-age members did less than 20% of their total working potential in the year preceding the year of the interview (income reference period).

On the one hand, this calculates the number of months in which the members of the household worked during the reference year, and on the other hand, the total months in which those same members of the household might have worked. The ratio is calculated and it is determined whether it is less than 20%.

This variable is not applied in the case of persons aged 60 years of age and over.

---

## 15.5 Risk of poverty or social exclusion (Europe 2030 strategy)

In 2021, the Subgroup of Indicators of the Social Protection Committee (EU), together with Eurostat, made some adjustments to the definition in accordance with the new objectives of the Europe 2030 Objective. The AROPE rate (Europe 2030 objective) is defined as the population that is in at least one of these three situations:

- Risk of poverty (definition does not change with respect to the old indicator).
- Severe material and social deprivation (social deprivation is added).
- Low employment intensity (new definition Europe 2030 objective)

Therefore, in the new indicator, two of its three components have been modified. Both modifications are detailed below.

### **In severe material and social deprivation**

The 'severe material deprivation' of the old indicator is replaced by the new concept 'severe material and social deprivation', which is calculated separately for each member of the household. This new indicator is built with 13 components, of which

seven are defined at the household level and six are personal, and different for each member of the household.

A person is in a situation of severe material and social deprivation if they suffer from at least seven of the 13 limitations that make up the list.

The seven concepts defined at the household level are:

- They cannot afford to go on holiday at least one week a year.
- They cannot afford to eat meat, chicken or fish at least every two days.
- They cannot afford to keep the dwelling at an adequate temperature.
- They cannot handle unforeseen expenses
- They have delays in payments relating to the main dwelling (mortgage or rent, gas or electricity bills, community costs, etc.) or to hire purchase in the past 12 months.
- They cannot afford a car.
- They cannot replace damaged or old furniture

The first six were already on the previous list and the last one has been added. On the other hand, the availability of a telephone, television or washing machine disappears from the list of shortages, once their ineffectiveness in explaining situations of material deprivation has been confirmed.

For their part, the six new concepts defined at the individual level are:

- They cannot afford to replace damaged clothes with new ones.
- They cannot afford to have two pairs of shoes in good condition.
- They cannot afford to get together with friends/family for a meal or drink at least once a month.
- They cannot afford to regularly participate in leisure activities.
- They cannot afford to spend a small amount of money on yourself.
- They cannot afford an internet connection.

In the case of minors under 16 years of age, the six concepts listed above are not available at the individual level. For these minors, the values of these elements are imputed from the values collected for the members of their household aged 16 or over.

### **In households without employment or with low employment intensity (Europe 2030 objective)**

The definition is a little more precise compared to the previous definition of the Europe 2020 strategy: they are households in which their members of working age (people from 18 to 64 years of age, excluding students from 18 to 24 years of age, retirees or retired, as well as inactive people between 60 and 64 whose main source of household income is pensions) did less than 20% of their total work potential during the reference year.

This variable is not applied in the case of persons aged 65 years of age and over.