

24 April 2023

(Text in translation process)

Modified 16/06/2023

Living Conditions Survey (LCS). Year 2022 Final results

The percentage of the population at risk of poverty or social exclusion decreased to 26.0%, from 27.8% in 2021

A total of 7.7 % of the population was in a situation of severe material and social shortage, compared to 8.3% the previous year

A total of 8.7% of the population made it to the end of the month with "much difficulty", compared to 8.8% in 2021

Population at risk of poverty or social exclusion (AROPE indicator)

The At-Risk-of-Poverty or Social Exclusion (AROPE) rate was created in 2010 to measure relative poverty in Europe by broadening the concept of the at-risk-of-poverty rate, which only considers income.

The AROPE rate has been constructed by joining the population that is at risk of poverty, or with material deficiencies or low employment intensity. Thus, the population at risk of poverty or social exclusion is defined 1 as the population that is in at least one of these three situations:

- Risk of poverty
- Severe material and social deprivation
- Low employment intensity

The AROPE rate stood at 26.0% of the resident population in Spain in 2022, compared to 27.8% registered the previous year.

The reduction in the AROPE rate occurred in its three components. The percentage of the population at risk of poverty thus fell from 21.7% to 20.4%. The percentage of people living in households with severe material and social deprivation decreased by six tenths, to 7.7%. Thus, the percentage of the population in a situation of low employment intensity went from 11.6% to 8.7%.

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¹ In 2021, a methodological change was introduced that affected two of its three dimensions. Page 10 details the methodological changes that the AROPE indicator has undergone.

AROPE Indicator. Population included within at least one out of three criteria of poverty risk or social exclusion by components

Percentages

Year when the survey is conducted:	2014	2015	2016	2017	2018	2019	2020	2021	2022
Income for the year:	2013	2014	2015	2016	2017	2018	2019	2020	2021
AROPE Indicator	30.2	28.7	28.8	27.5	27.3	26.2	27.0	27.8	26.0
Risk of poverty (1)	22.2	22.1	22.3	21.6	21.5	20.7	21.0	21.7	20.4
Severe material deprivation	10.7	7.4	8.5	8.3	8.7	7.7	8.5	8.3	7.7
Low work intensity (2)	16.9	15.4	14.9	12.8	10.8	10.9	10.0	11.6	8.7

⁽¹⁾ Income in the year prior to the interview

By age group, the AROPE rate declined one point among those under 16 years of age, and 2.7 in the group between 16 and 64 years of age. In turn, it rose 0.8 points among those over 65 years of age.

AROPE Indicator. Population included in at least one of the three criteria of the risk of at-poverty-risk rate and social exclusion by age

Percentages

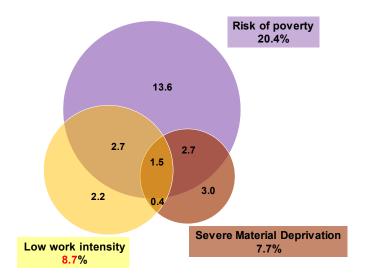
Year when the survey is conducted:	2014	2015	2016	2017	2018	2019	2020	2021	2022
Income for the year:	2013	2014	2015	2016	2017	2018	2019	2020	2021
TOTAL	30.2	28.7	28.8	27.5	27.3	26.2	27.0	27.8	26.0
Under the age of 16	36.3	33.2	32.8	31.7	29.9	30.8	31.8	33.2	32.2
From 16 to 64 years of age	32.6	31.4	31.4	28.9	28.5	27.4	27.4	28.7	26.0
65 years of age and older	15.5	14.5	16.0	18.9	20.7	18.1	21.6	20.5	21.3

As a complement to the AROPE rate, an indicator of intersection between the populations that are in each of the three situations is constructed by the LCS.

Thus, in 2022 (and with income data from 2021), 1.5% of the population was both at risk of poverty, with severe material and social deprivation and low employment intensity.

Intersections between subpopulations

Year 2022 (with 2021 income data). AROPE Indicator 26.0%



⁽²⁾ Year prior to the interview

Median income and at-risk-of-poverty threshold

Average net annual monetary income per person for 2021 reached 13,008 Euro, with a 6.0% raise, when compared with the previous year

Average person income

Euros

Year when the survey is conducted:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Income for the year:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Average person income	10,531	10,391	10,419	10,708	11,074	11,412	11,680	12,292	12,269	13,008

According to Eurostat criteria, the at-risk-of-poverty threshold is set at 60% of the median² income per consumption unit³ of persons. Therefore, as income per person increases, the risk-of-poverty threshold also increases.

In 2022, the at-risk-of-poverty threshold for one-person households (calculated on the basis of income data for 2021) stood at 10,088 euros, that is, 5.8% higher than that estimated in the previous year. In households with two adults and two children under 14 years old, said threshold stood at 21,185 euros.

Median income and at-risk-of-poverty threshold

Euros

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Year when the survey is conducted:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Income for the year:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Median income	13,524	13,269	13,352	13,681	14,203	14,785	15,015	16,043	15,892	16,814
At-risk-poverty threshold										
One-person households	8,114	7,961	8,011	8,209	8,522	8,871	9,009	9,626	9,535	10,088
Households with 2 adults and 2 children	17,040	16,719	16,823	17,238	17,896	18,629	18,919	20,215	20,024	21,185

Population at risk of poverty

The risk of poverty is a relative indicator that measures inequality. It does not measure absolute poverty but the number of persons with low income as compared with the total population.

In 2022 (and taking into account income in 2021) the percentage of the population with income below the at-risk poverty threshold (the so called *at-risk-of-poverty rate*) stood at 20.4% of the resident population in Spain, compared with 21.7% in the previous year.

By age group, the at-risk-of-poverty rate decreased one points for those under 16 years of age and 1.9 points for the 16-64 age group. In turn, it rose 1.2 points among those 65 years and older.

²The 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, its value depends on the level of income and on how the income is distributed among the population.

³ A consumer unit is a person living by him self. A household consisting of two adults constitutes 1.5 consumer units. The poverty threshold is calculated for each type of household. The survey methodology includes a more precise definition of the consumption unit as well as reference values for the poverty thresholds.



At-risk-of-poverty rate by age

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Year when the survey is conducted:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Income for the year:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
TOTAL	20.4	22.2	22.1	22.3	21.6	21.5	20.7	21.0	21.7	20.4
Under 16 years old	26.7	30.1	28.8	28.9	28.1	26.2	27.1	27.6	28.7	27.7
16 years of age and older	19.2	20.7	20.8	21.1	20.4	20.7	19.4	19.7	20.4	19.1
From 16 to 64 years of age	20.8	23.2	23.2	23.3	21.9	22.1	20.9	20.0	21.2	19.3
_65 years of age and older	12.7	11.4	12.3	13.0	14.8	15.6	14.5	18.8	17.5	18.7

Population in a situation of severe material and social deprivation

A person is considered to be in a situation of severe material and social deprivation if they state that they are deprived in at least seven of the 13 items on the following list that are asked in the survey (seven defined at the household level and six at the individual level):

At the household level:

- 1. They cannot afford to go on holiday at least one week a year.
- 2. They cannot afford to eat meat, chicken or fish at least every two days.
- 3. They cannot afford to keep the dwelling at an adequate temperature.
- 4. They cannot handle unforeseen expenses (of 800 Euro)4.
- 5. 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.
- 6. They cannot afford a car.
- 7. They cannot replace damaged or old furniture.

At the individual level:

- 8. They cannot afford to replace damaged clothes with new ones.
- 9. They cannot afford to have two pairs of shoes in good condition.
- 10. They cannot afford to get together with friends/family for a meal or drink at least once a month.
- 11. They cannot afford to regularly participate in leisure activities.
- 12. They cannot afford to spend a small amount of money on yourself.
- 13. They cannot afford an internet connection.

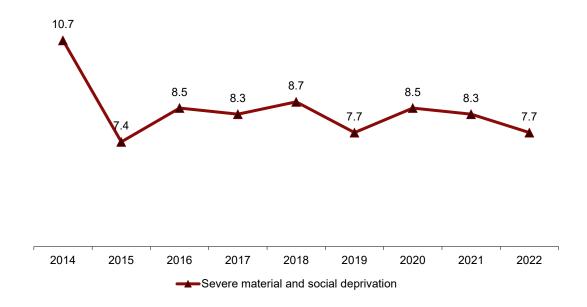
The percentage of the population in a situation of severe material and social deprivation in 2022 stood at 7.7%, compared to 8.3% the previous year.

Of the seven concepts defined at the household level, the one that worsened the most in 2022 was unable to afford to keep the home at an adequate temperature (17.1%, compared to 14.3%). On the other hand, the concept there have been delays in the payment of expenses related to the main residence or in installment purchases in the last 12 months improved to 13.2%, compared to 14.4% the previous year.

Severe material and social deprivation can only be calculated from 2014, when the new questions were introduced in the survey questionnaire.

⁴ It is considered the capacity of the household to meet unforeseen expenses with its own resources only, that is, without resorting to loans or hire purchase to meet the usual expenses that were previously settled in cash. The amount of expenses is revised each year from the evolution of the level of income of the population. This amount stood at 800 Euro in the survey of 2022.

Evolution of severe material and social deprivation Percentages

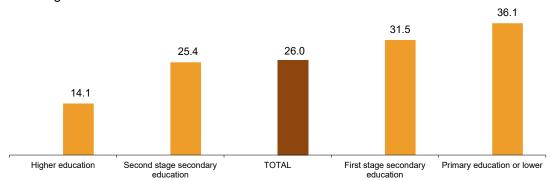


Population at risk of poverty or social exclusion, according to characteristics

The AROPE rate can be disaggregated according to different personal characteristics, such as level of studies or type of household.

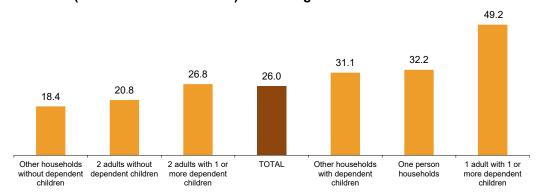
With respect to the importance of the level of education, 36.1% of the population that has reached an educational level equivalent to primary education or less were at risk of poverty or social exclusion in the LCS of 2022 (with income of 2021). On the other hand, when the degree reached was higher education, this rate was reduced to 14.1%.

Persons at risk of poverty or social exclusion (AROPE Indicator) by educational level attained (persons aged 16 years old and older). LCS-2022 (with 2021 income data) Percentages



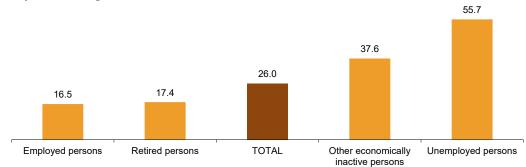
By household type, 49.2% of persons living in households formed by an adult with dependent children were at risk of poverty or social exclusion in 2022.

People at risk of poverty or social exclusion (AROPE Indicator) by type of household. LCS-2022 (with 2021 income data). Percentages



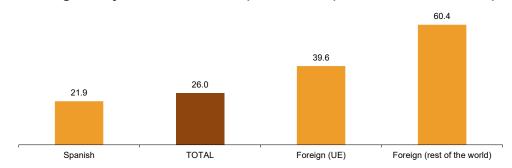
In terms of economic activity, 55.7% of the unemployed were at risk of poverty or social exclusion, as compared with 16.5% of employed persons and 17.4% of retired persons.

Persons at risk of poverty or social exclusion (AROPE Indicator) by relationship with economic activity (persons aged 16 years old and older). LCS-2022 (with 2021 income data). Percentages



According to nationality, the percentage of persons below the threshold of risk of poverty or social exclusion was 21.9% for Spaniards, 39.6% for foreigners for the EU and 60.4% for persons not from an EU country.

Persons at risk of poverty or social exclusion (AROPE Indicator) by nationality (persons aged 16 years old and older). LCS-2022 (with 2021 income data). Percentages



Economic difficulties of households in 2022

Although the income collected in the LCS corresponds to the year prior to the interview (2021), in addition to the elements of material deprivation, other questions were also asked that describe the perceived economic situation at the time of the intervie, which took place in the second guarter of 2022.

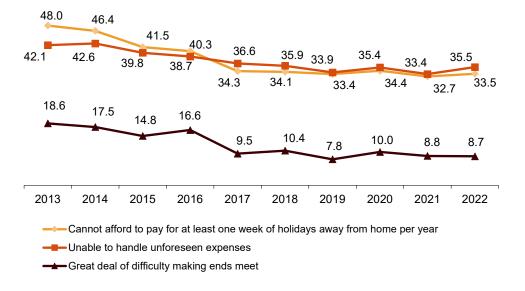
Thus, 8.7% of the population stated that they would make ends meet with "great difficulty" in 2022. This percentage was 0.1 points lower than that registered the previous year.

In turn, 35.5% did not have the capacity to handle unforeseen expenses, compared to 33.4% in 2021.

A total of 33.5% of the population could not afford to take a holiday away from home at least one week a year. This percentage was 0.8 points higher than that registered in 2021.

Evolution of economic difficulties

Percentages



Income distribution and other indicators of inequality

The S80/S20 ratio, used to measure income inequalities, compares the sum of the incomes of 20% of the population with the highest income with that of 20% of the population with the lowest income. The value of 2021 income was 5.6, with a decrease of six tenths compared to the previous year.

Another indicator to analyse inequality is the Gini Index. It is a measure of inequality that takes the value 0 in the case of perfect equity and the value 100 in the case of maximum inequality.

This index also shows an increase in income inequality. Taking into account 2021 income, the Gini index fell one point and its value stood at 32.0.



Income inequality indicators

Year when the survey is conducted:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Income for the year:	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
S80/S20	6.3	6.8	6.9	6.6	6.6	6.0	5.9	5.8	6.2	5.6
Gini coefficient	33.7	34.7	34.6	34.5	34.1	33.2	33.0	32.1	33.0	32.0

Results by Autonomous Communities

The highest average annual income (in 2021) were registered in País Vasco (16,427 euros per person), Comunidad Foral de Navarra (15,970) and Comunidad de Madrid (15,695).

On the other hand, the lowest was registered in Extremadura (10,133 per person), Región de Murcia (10,632) and Andalucia (10,703).

With regard to the AROPE rates of risk of poverty or social exclusion, the highest were found in Extremadura (36.9%), Canarias (36.2%) and Andalucia (35.8%).

On the other hand, Comunidad Foral de Navarra (14.5%) and País Vasco (15.7%) presented the lowest at-risk-of-poverty or social exclusion rates.

With regard to the at-risk-of-poverty rates, the highest were found in Extremadura (30.0%), Canarias (29.4%) and Andalucía (29.1%).

Comunidad Foral de Navarra (10.9%) and País Vasco (12.2%) presented the lowest at-risk-of-poverty rates.

Average person income, AROPE indicator and at-risk-of-poverty rate by Autonomous Community. LCS-2022 (with 2021 income data)

	Average person income (euros)	AROPE indicator (%)	At-risk-of- poverty rate (%)
TOTAL	13,008	26.0	20.4
Andalucía	10,703	35.8	29.1
Aragón	14,015	19.1	15.0
Asturias, Principado de	13,777	25.3	20.1
Balears, Illes	12,451	21.5	16.9
Canarias	10,716	36.2	29.4
Cantabria	13,811	19.5	14.8
Castilla y León	13,323	22.1	17.8
Castilla - La Mancha	11,037	31.6	26.1
Cataluña	14,692	20.4	14.5
Comunitat Valenciana	11,876	27.5	22.3
Extremadura	10,133	36.9	30.0
Galicia	12,352	23.6	18.0
Madrid, Comunidad de	15,695	20.3	14.8
Murcia, Región de	10,632	31.0	26.3
Navarra, Comunidad Foral de	15,970	14.5	10.9
País Vasco	16,427	15.7	12.2
Rioja, La	13,538	20.9	16.6
Ceuta	12,152	40.7	34.8
Melilla	13,089	41.3	34.5

Economic difficulties by autonomous communities

Canarias (13.4%), Andalucia (11.7%) and Extremadura (11.0%) were the Autonomous Communities that registered the highest percentages of persons that had "a great deal of difficulty" making ends meet in 2022.

Those that presented the lowest percentages were La Rioja (3.3%), País Vasco (3.9%) and Illes Balears (5.7%).

A total of 57.2% of the population in Canarias, 44.7% in Región de Murcia and 44.7% in Andalucía were unable to handle unforeseen expenses in 2022. At the other end of the spectrum were País Vasco (18.7%) and La Rioja (19.6%).

Andalucia (45.2%), Extremadura (42.3%) and Región de Murcia (41.9%) presented the highest percentages of persons that could not afford to pay for at least one week of holidays away from home per year in 2022. The lowest percentages corresponded to La Rioja (18.3%), País Vasco (18.7%) and Comunidad de Madrid (21.3%).

In the case of households with late payments when paying expenses related to the main dwelling or deferred payments, Illes Balears (20.5%), Canarias (20.0%) and Andalucia (16.3%) presented the highest population percentages. Conversely, Cantabria (5.3%) and País Vasco (7.2%) registered the lowest.

Economic difficulties by Autonomous Community. Year 2022

Percentages	Cannot	Unable to	Delays in	Great deal of
	afford to pay for	handle	payments	difficulty
	at least one	unforeseen	relating to the	making
	week of	expenses	main dwelling or	ends meet
	holidays away	•	hire purchase	
	from home per			
	year			
TOTAL	33.5	35.5	13.2	8.7
Andalucía	45.2	44.7	16.3	11.7
Aragón	23.6	27.2	8.8	6.9
Asturias, Principado de	30.8	24.0	7.6	6.5
Balears, Illes	33.0	36.4	20.5	5.7
Canarias	40.2	57.2	20.0	13.4
Cantabria	34.3	23.9	5.3	5.8
Castilla y León	28.1	27.1	10.4	6.8
Castilla - La Mancha	34.4	36.6	14.5	10.8
Cataluña	30.9	34.8	14.8	8.0
Comunitat Valenciana	37.0	34.6	12.2	8.4
Extremadura	42.3	42.3	12.4	11.0
Galicia	39.1	29.3	9.4	7.0
Madrid, Comunidad de	21.3	31.3	11.9	8.3
Murcia, Región de	41.9	44.7	12.3	7.3
Navarra, Comunidad Foral de	24.7	21.5	10.8	6.4
País Vasco	18.7	18.7	7.2	3.9
Rioja, La	18.3	19.6	7.8	3.3
Ceuta	41.1	47.0	24.1	20.2
Melilla	31.5	45.3	23.1	15.6

Data Review and Update

The data published today are final. All results are available on INEBase.

Informative annex Risk of poverty or social exclusion (new definition 2021)

The AROPE rate of risk of poverty or social exclusion was modified in 2021 in accordance with the new objectives of the Europe 2030 Strategy. It 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 2021)

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

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.

Low employment intensity (new definition 2021):

The definition is a bit more precise: these are the households in which members of working age (persons between 18 and 64 years old, excluding students between 18 and 24 years old, retirees or retirees, as well as inactive people between 60 and 64 whose main source of household income is pensions) carried out 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.

Methodological note

The Living Conditions Survey (LCS) is an annual statistical operation aimed at households that is conducted in all European Union countries. It is a harmonized statistic, supported 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 related to people and households, based on individual data collected from samples.

The LCS was conducted for the first time in 2004. It provides information on income, the level and composition of poverty and social exclusion in Spain and allows for comparison with other countries of the European Union. The incomes of the calendar year prior to the interview are collected. Also, many other questions about living conditions, which are referred to the time of the survey, are collected. Therefore, the variables related to the incomes of the survey of 2022 are referred to 2021 whereas the other questions are referred to 2022.

The 2022 LCS was carried out by the National Statistics Institute (INE) in collaboration with the Statistical Institute of Cataluña (IDESCAT) within the scope of this Autonomous Community.

Type of survey: Annual.

Collection period: Second quarter of 2022.

Sample size: The effective sample is made up of about 60,000 people.

Type of sampling: Panel survey in which the persons interviewed collaborate for four consecutive years. It is a stratified two-stage sampling. The first stage units are the census sections and the second stage units are the family dwellings.

Collection method: The collection method is multichannel, offering the household the possibility of responding online (CAWI), conducting the survey by telephone interview or face-to-face.

For more information the methodology can be accessed at: https://www.ine.es/daco/daco42/condivi/ecv_metodo.pdf

The standardized methodological report is at: https://www.ine.es/dynt3/metadatos/en/RespuestaDatos.html?oe=30453

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