

Quality of Life Survey (QLS) Year 2007

Main results

- The average net annual household income is 24,525 euros, which indicates an increase of 4.6% as compared with the previous year. If non-monetary income from the valuation of the use made of the dwelling by the household, when it is owned (imputed rent), average income rises to 29,367 euros, 5.5% higher than the previous year¹.
- The Autonomous Communities with the highest net household income are Comunidad Foral de Navarra and Comunidad de Madrid. On the other hand, the lowest income corresponds to Extremadura and Castilla–La Mancha.
- The percentage of persons below the relative poverty threshold in Spain is 19.7%. This percentage decreases to 15.2% if the value of the imputed rent is included.
- 69.5% of households consider themselves able to handle unforeseen expenses.
- 63.3% of children whose mothers work attend day-care. This percentage decreases to 33.2% when the mother does not work.
- 88.9% of households indicate that they are generally satisfied with the dwelling in which they reside.
- 18% of households have problems with crime and vandalism in their neighbourhood, 15.7% have problems with pollution, and 25.7% complain of noise from neighbours or outside.

¹ QLS 2007, in accordance with Community regulations, includes for the first time the value of the use made of the dwelling by the household, when it is owned. This involves a non-monetary component, which is relevant to measuring income and poverty rates, which is estimated using the imputed rent method (valuation of the use of the dwelling with a mixed method, based on prices of real rents and on the subjective valuation by the household itself).

Household income

The net annual household average income rose to 24,525 euros, indicating an increase of 4.6% as compared with the previous year. If non-monetary income from the valuation of the use made of the dwelling by the household was included, when it was owned or granted free of charge (imputed rent), average income rose to 29,367 euros, 5.5% higher than in 2006.

Average household income was lower when the reference person was a woman than when that person was a man. Thus, average household income, without taking into account the value of the dwelling, was 22,084 euros when the reference person was a woman, and 25,969 euros when that person was a man.

Something similar occurred where the imputed rent was considered when calculating average income. In this case, average household income reached 26,857 euros when the reference person was a woman, whereas it stood at 30,852 euros when that person was a man.

By age, **the lowest income corresponded to households in which the reference person was aged 65 years old or over.** Nevertheless, this group was the one with the greatest decrease in its relative difference with regard to average income, when considering imputed rent as part of the income calculation (specifically, it went from an average income of 16,989 euros to 21,598 euros when the dwelling was included).

Average net annual household income, by sex and age of the reference person. Year 2006

Data in euros

	Both sexes		Men		Women	
	Without imputed rent	With imputed rent	Without imputed rent	With imputed rent	Without imputed rent	With imputed rent
Total	24,525	29,367	25,969	30,852	22,084	26,857
16 to 29 years of age	21,370	25,550	19,819	23,779	23,263	27,712
30 to 44 years of age	26,174	31,148	26,390	31,337	25,783	30,807
45 to 64 years of age	29,230	34,243	30,382	35,478	26,731	31,562
65 years or over	16,989	21,598	19,477	24,130	13,919	18,474

* Provisional data. Please see definition of imputed rent at the end of this document.

By Community, the one presenting the highest household income without including the valuation of the dwelling with imputed rent was Comunidad Foral de Navarra (31,480 euros). Conversely, the one with the lowest income was Extremadura (18,751 euros).

When the measurement of income included the value of the dwelling, average income increased significantly in all Autonomous Communities. Comunidad Foral de Navarra continued to be the one with the highest average household income (36,257 euros) and Extremadura, the one with the lowest average income (22,259 euros).

Average net annual household income, by Autonomous Community. Year 2006

Data in euros

	Without imputed rent	With imputed rent
Total	24,525	29,367
Andalucía	21,087	25,777
Aragón	24,898	29,315
Asturias (Principado de)	23,851	28,133
Balears (Illes)	26,837	31,572
Canarias	21,357	25,739
Cantabria	26,156	30,821
Castilla y León	21,974	26,268
Castilla-La Mancha	20,863	25,063
Cataluña	27,039	32,157
Comunitat Valenciana	23,598	28,638
Extremadura	18,751	22,259
Galicia	23,011	27,267
Madrid (Comunidad de)	29,844	35,628
Murcia (Región de)	22,171	26,538
Navarra (Comunidad Foral de)	31,480	36,257
País Vasco	27,134	32,498
Rioja (La)	23,250	27,751
Ceuta and Melilla	24,363	28,973

* Provisional data. Please see definition of imputed rent at the end of this document.

Educational level had a determining influence on income. Thus, average income of households where the reference person had completed higher education was 34,666 euros (not including imputed rent). However, this average income stood at 18,541 euros per household when the reference person had completed primary education or lower.

Average net annual household income, by educational level of the reference person. Year 2006

Data in euros

	Without imputed rent	With imputed rent
Total	24,525	29,367
Primary education or lower	18,541	22,978
First stage secondary education	22,441	27,131
Second stage secondary education	25,847	30,790
Higher education	34,666	40,199

* Provisional data. Please see definition of imputed rent at the end of this document.

Relative poverty²

19.7% of the population resident in Spain was below the relative poverty threshold, this being measured without taking into account the ownership of the dwelling. **This rate decreased to 15.2% when the value of the imputed rent was taken into account.**

Considering the value of the dwelling in which the household resided in the calculation, when it was owned or granted free of charge, meant that poverty decreased in all categories. Moreover, its inclusion reduced the differences between the different age groups and sexes.

By age, the poverty rate for persons between 16 and 64 years of age was 16.8%, not including the value of the imputed rent, whilst for persons over 65 years of age, it reached 28.5%. This group of persons over 65 years of age was approximately the average rate when imputed rent was taken into account (the rate went to 15.6% as compared with an average of 15.2%).

The evolution of both rates in the last three years for the population as a whole has been stable, with differences not going beyond one point.

Relative poverty rate by age and sex. QLS 2005-2007

Percentages

	2005		2006		2007	
	Without imputed rent	With imputed rent	Without imputed rent	With imputed rent	Without imputed rent	With imputed rent
Total	19.7	15.4	19.9	14.9	19.7	15.2
Under 16 years of age	24.0	20.8	23.8	20.3	23.4	19.7
From 16 to 64 years of age	16.4	13.8	16.3	13.3	16.8	14.1
65 years of age and over	29.4	16.9	30.6	16.8	28.5	15.6
16 years of age and over	19.0	14.4	19.1	13.9	19.1	14.4
Males	18.5	15.1	18.5	14.5	18.6	14.8
Under 16 years of age	24.3	20.7	23.6	19.9	23.5	20.4
From 16 to 64 years of age	15.6	13.2	15.3	12.5	15.9	13.3
65 years of age and over	26.4	18.0	28.0	17.8	26.1	16.0
16 years of age and over	17.4	14.0	17.5	13.4	17.6	13.8
Females	20.9	15.7	21.2	15.4	20.9	15.6
Under 16 years of age	23.6	21.0	24.1	20.7	23.2	19.0
16 to 64 years of age	17.3	14.4	17.4	14.0	17.8	14.9
65 years of age and over	31.6	16.2	32.6	16.1	30.2	15.4
16 of age and over	20.4	14.8	20.7	14.5	20.5	15.0

* Provisional data. Please see definition of imputed rent at the end of this document.

² The relative poverty rate is the percentage of persons below the poverty threshold, this being measured as 60% of the median of income per consumption unit of persons. The median is the value which, ordering all individuals from lowest to highest income, leaves half of them below the aforementioned value, and the other half above it.

Therefore, since it involves a relative measurement, its value depends on how income is distributed among the population.

Household economic situation

Households comprised of an adult with dependent children were the ones that experienced the greatest difficulty when handling unforeseen expenses (49.7% were unable to do so). These households were the ones with greatest difficulty in paying for holidays of at least one week each year (49.7%).

Households that could not afford different expenses, by type of household

Percentages

	Holidays at least one week a year	Keep the dwelling at an adequate temperature	Ability to handle unforeseen expenses
Total	35.8	7.9	30.5
One-member households	39.7	12.5	41.7
2 adults without dependent children	33.1	7.7	28.4
Other households without dependent children	40.7	9.5	30.1
1 adult with 1 or more dependent children	49.7	11.6	49.7
2 adults with 1 or more dependent children	29.8	3.4	23.4
Other households with dependent children	43.7	8.9	34.2

Childcare

The relationship with the economic activity of the mother is an important factor in whether the children go to day-care. Thus, if the mother worked, 63.3% of the children went to day-care, while if the mother did not work, the figure decreased to 33.2%.

The children whose mothers worked spent an average of 29 hours per week in educational centres. If their mothers did not work, the stay was reduced to 24 hours.

Children under 3 years of age who were cared for or attended centres, by the relationship with the economic activity of the mother

Percentages and number of hours

	All	Worked	Did not work
Preschool or infants education (% of children)	49.2	63.3	33.2
Preschool or infants education (hours per week)	27.3	29.1	23.6
Persons (professional child minders and unpaid persons) (% of children)	28.9	43.4	12.3
Persons (professional child minders and unpaid persons) (hours per week)	21.8	23.8	13.7

Conditions in the dwelling

15.6% of households claimed to suffer from a lack of space in the dwelling. This percentage varied by the size of the municipality in which the dwelling was located.

Municipalities with more than 500,000 inhabitants were those, which had the most dwellings with a lack of space (19.7%). In turn, municipalities with fewer than 10,000 inhabitants presented the lowest percentage of dwellings with a lack of space (11.4%).

Household, by lack of space in the dwelling and the size of the municipality

Percentages

	Lack of space in the dwelling
Total	15.6
Up to 10,000 inhabitants	11.4
10,000 to 50,000 inhabitants	14.0
50,000 to 100,000 inhabitants	15.1
100,000 to 500,000 inhabitants	18.4
More than 500,000 inhabitants	19.7

27.5% of households did not have any fixed heating system. Level of income was a determining factor in whether they had some system of this type. Thus, in the case of households with annual income lower than 9,000 euros, this percentage rose to 40.9%, whereas in households with more than 35,000 euros of annual income, the percentage was reduced to 15.7%.

Households, by the availability of heating in the dwelling and the annual household income bracket in 2006

Percentages

	Had some kind of fixed heating system	Did not have any kind of fixed heating system
Total	72.5	27.5
Up to 9,000 €	59.1	40.9
9,000 to 14,000 €	64.7	35.3
14,000 to 19,000 €	68.5	31.5
19,000 to 25,000 €	74.4	25.6
25,000 to 35,000 €	77.6	22.4
More than 35,000 €	84.3	15.7

In general terms, 88.9% of household expressed that they were satisfied with the dwelling in which they lived. The Autonomous Communities with the highest degree of satisfaction were La Rioja (93.8%), País Vasco (92.1%) and Aragón (92.0%).

Households, by satisfaction with the dwelling and Autonomous Community

Percentages

	Dissatisfied	Satisfied
Total	11.0	88.9
Andalucía	12.5	87.4
Aragón	7.8	92.0
Asturias (Principado de)	10.9	89.1
Balears (Illes)	11.9	88.1
Canarias	11.9	88.1
Cantabria	9.7	90.3
Castilla y León	10.6	89.4
Castilla-La Mancha	8.7	91.3
Cataluña	11.7	88.3
Comunitat Valenciana	9.1	90.9
Extremadura	13.1	86.9
Galicia	13.2	86.8
Madrid (Comunidad de)	11.4	88.6
Murcia (Región de)	10.9	89.1
Navarra (Comunidad Foral de)	9.9	90.1
País Vasco	7.9	92.1
Rioja (La)	6.2	93.8
Ceuta and Melilla	20.6	79.4

Access to different services from the dwelling was an important factor in assessing the household living conditions.

The services that were the most difficult to access for the households were the postal (21.7% had difficult access) and primary health care services (19.6% stated that they had access problems).

Households, according to the difficulty accessing certain services, by the size of the municipality

Percentages

	Grocers'	Banking services	Postal services	Public transport	Primary health care services	Compulsory education
Total	13.4	13.4	21.7	13.5	19.6	16.0
Up to 10,000 inhabitants	22.2	23.1	20.7	26.1	26.3	21.1
10,000 to 50,000 inhabitants	15.1	16.1	22.6	20.6	25.7	14.8
50,000 to 100,000 inhabitants	11.8	11.8	29.0	12.5	16.2	13.2
100,000 to 500,000 inhabitants	9.5	9.0	20.9	9.1	13.5	16.4
More than 500,000 inhabitants	6.7	4.8	17.5	7.4	13.4	13.1

In general, access problems decreased as the size of the municipality increased.

In the case of households in small municipalities, 26.1% had problems accessing public transport, and 26.3% had problems accessing primary health care services. In large municipalities, these percentages decreased to 7.4% and 13.4%, respectively.

23.1% of households residing in municipalities with fewer than 10,000 inhabitants had difficulties accessing banking services. This percentage decreased to 4.8% when the municipality of residence had more than 500,000 inhabitants.

Households that suffered certain problems in the dwelling, by size of the municipality

Percentages

	Insufficient natural light	Noise produced by neighbours or from outside	Pollution and other environmental problems	Crime or vandalism
Total	10.7	25.7	15.7	18.0
Up to 10,000 inhabitants	9.6	16.8	8.1	9.9
10,000 to 50,000 inhabitants	9.3	25.8	13.0	15.2
50,000 to 100,000 inhabitants	8.8	26.1	16.2	18.1
100,000 to 500,000 inhabitants	11.2	30.2	21.4	21.5
More than 500,000 inhabitants	14.6	29.8	20.4	26.7

However, **the larger size of the municipality entailed more problems in the dwelling.** Thus, pollution affected 8.1% of households in small municipalities, and more than 20% of households in larger municipalities.

Households in small municipalities suffered less crime (9.9% claimed to have experienced it) than those located in larger municipalities (26.7% suffered from this problem).

Methodological note

The Quality of Life Survey (QLS) is an annual survey aimed at households, and is carried out in all European Union countries. These statistics are harmonised with the European Union (EU), supported by Regulation (EC) No. 1177/2003 of the European Parliament and Council of 16 June 2003, regarding community statistics on income and quality of life.

The QLS was carried out for the first time in 2004, and the first data was released in December 2005. On this occasion, the INE is presenting the results for the year 2007 with regard to Spain, before their dissemination by Eurostat, with data for all EU countries.

The primary objective of the survey is to provide information on income, and level and composition of poverty and social exclusion in Spain, and to enable the drawing of comparisons with other European Union countries.

Among its uses, the survey is of note due to its constituting a fundamental reference element for tracking the National Action Plan for Social Inclusion.

The QLS also provides longitudinal information, since it is a panel survey in which the persons interviewed cooperate over several consecutive years. It is thus possible to ascertain the evolution of variables researched over time.

The QLS is specifically designed to obtain information on:

1. Income in private households, and in general, on their economic situation (The information on income refers to the year prior to the survey year).
2. Poverty, deprivation, social protection and equality of treatment.
3. Employment and activity.
4. Retirement, pensions and socio-economic situation of elderly persons.
5. Housing and the costs associated with it.
6. Regional development.
7. Level of education, health and effects of both on the socio-economic situation.

In addition to this information, the QLS includes a different thematic module each year in order to cover relevant social aspects. The module for QLS 2007 includes information on the conditions of the dwelling.

Definitions

Net household income

The income received, during the year 2006, by the members of the household, who are the persons providing this information for the compilation of the survey. This income is composed of income from employment, profits / losses from freelance work, social benefits, income from capital and property, transfers between other households, income received by children and the outcome of the income tax and tax on wealth return. Non-monetary components are not included, with the exception of company cars.

Net income per household consumption unit and personal income

Income per household consumption unit is calculated taking into account economies of scale in households. It is obtained by dividing total household income by the number of consumption units. These are calculated using the modified OECD scale, which assigns a weight of 1 to the first adult, a weight of 0.5 to remaining adults and a weight of 0.3 to children under 14 years of age.

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 to calculate relative poverty measurements.

Imputed rent

Imputed rent constitutes a non-monetary component of household income. Imputed rent is applied to those households that do not pay a complete rent, either because they are the 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 informant. 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 previous publications, the relative poverty rate was calculated without considering the imputed rent in the definition of household income. On this occasion, for the first time, the provisional data provided on relative poverty includes this non-monetary component of income.

Relative poverty

The poverty threshold depends on the distribution of income per consumption unit for persons (giving rise to the term relative poverty, which takes into account the situation of the population to which it belongs). The poverty threshold is set at 60% of the median income per consumption unit of persons. The median is the value which, ordering all individuals from lowest to highest income, leaves half of them below the aforementioned value, and the other half above it.

The relative poverty rate is the percentage of persons below the poverty threshold.

In the results presented, the threshold for the national group has been used.

The value of the poverty threshold, expressed as the equivalent income of the person, is established in euros. That is to say, a person with **an annual income per consumption unit** below this threshold, is considered to be in relative poverty.

The value of the poverty threshold, expressed according to the total household income, depends on the size of the household and the age of its members, that is, the number of household consumption units. This is obtained by multiplying 7,203.3 by the number of household consumption units. For example, for a household with one adult, the threshold is 7,203.3 euros, for a household with two adults, it is 10,805 euros (or 5,402.5 euros per person), for a household with two adults and one child under the age of 14, it is 12,965.9 euros (or 4,322 euros per person), for a household with two adults and two children under the age of 14, it is 15,126.9 euros (or 3,781.7 euros per person),...

Ability to handle unforeseen expenses

This is considered to be the ability of the household to handle an unforeseen expense of 550 euros, relying solely on its own resources, that is, without turning to loans or payment in instalments to assume everyday expenses which were previously paid for at the time of purchase.

Household expenses

Household expenses include: Rent (when the dwelling is rented), mortgage interest (when the dwelling is owned) and other expenses associated with the household (homeowners' association, repairs, water, electricity, gas, contents insurance, some municipal rates and taxes).

Reference person

The reference person is considered to be the person responsible for the dwelling, defined as the household member with the property (owned dwelling) or rental (rented dwelling) contract in his or her name. 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.

Dependent child

Dependent children are considered to be those persons under the age of 16, and persons aged 16 to 24 years of age, who are economically inactive and who live with at least one of their parents.

Adult

In these statistics, adults are considered to be those persons aged 16 or over at 31 December of the year prior to conducting the survey.