Living Conditions Survey (LCS). Year 2018
Final results

The average income per person reached 11,412 euros, with an increase of 3.1%

The population at risk of poverty or social exclusion (AROPE rate) stood at 26.1%, as compared with 26.6% in the previous year.

Average income

The average income per person reached 11,412 euros, a figure 3.1% higher than that recorded the previous year.
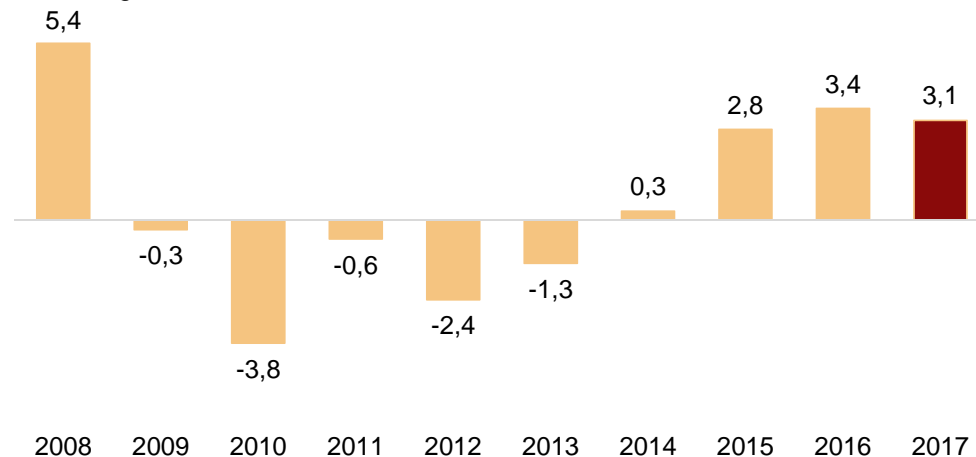
Average income per person
Euros

Año de la encuesta *Ingresos del año:*	2009 *2008*	2010 *2009*	2011 *2010*	2012 *2011*	2013 *2012*	2014 *2013*	2015 *2014*	2016 *2015*	2017 *2016*	2018 *2017*
Ingreso medio por persona	11.318	11.284	10.858	10.795	10.531	10.391	10.419	10.708	11.074	11.412

Annual growth of the average income per person
Percentages

Income distribution and 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. In 2018 (referring to income of 2017) its value was 6.0 with a decrease of 6 tenths with respect 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 a decrease in income inequality. The Gini index dropped nine tenths and stood at 33.2.

Income inequality indicators

Año de la encuesta:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ingresos del año:	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*	*2014*	*2015*	*2016*	*2017*
S80/S20	5,9	6,2	6,3	6,5	6,3	6,8	6,9	6,6	6,6	6,0
Índice de Gini	32,9	33,5	34,0	34,2	33,7	34,7	34,6	34,5	34,1	33,2

At-risk of poverty or social exclusion rate (AROPE rate)

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 is constructed with the population at risk of poverty, or with material deprivation or low employment intensity.

In the LCS of 2018, the at-risk-of-poverty or social exclusion rate (AROPE) stood at 26.1% of the population resident in Spain, as compared with 26.6% registered the previous year.

The reduction of the AROPE rate occurred in two of its three components. Thus, the low intensity of employment was reduced from 12.8% to 10.7% and the risk of poverty from 21.6% to 21.5%, while severe material deprivation rose from 5.1% to 5.4%.

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

Año de la encuesta:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ingresos del año:	*2008*	*2009*	*2010*	*2011*	*2012*	*2013*	*2014*	*2015*	*2016*	*2017*
Indicador AROPE	24,7	26,1	26,7	27,2	27,3	29,2	28,6	27,9	26,6	26,1
Riesgo de pobreza (1)	20,4	20,7	20,6	20,8	20,4	22,2	22,1	22,3	21,6	21,5
Carencia material severa	4,5	4,9	4,5	5,8	6,2	7,1	6,4	5,8	5,1	5,4
Baja intensidad en el empleo (2)	7,6	10,8	13,4	14,3	15,7	17,1	15,4	14,9	12,8	10,7

(1) Ingresos del año anterior a la entrevista

(2) Año anterior a la entrevista

By age group, the AROPE rate dropped 0.5 points in persons aged 16 to 64 and 2.2 points in persons under 16. In turn, it increased by 1.2 points in those over 65.

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

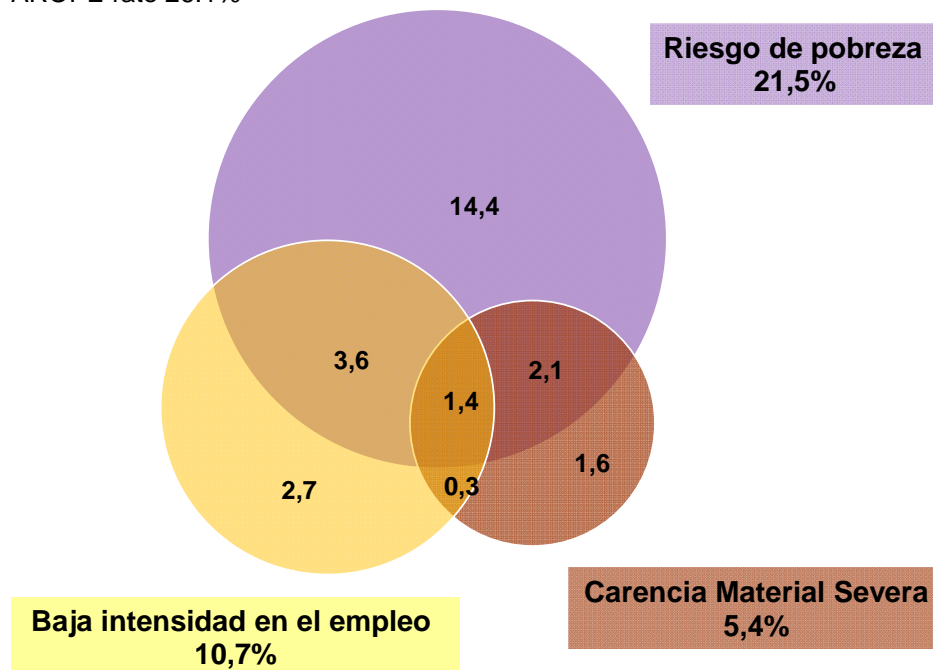| Año de la encuesta: *Ingresos del año:*	2009 *2008*	2010 *2009*	2011 *2010*	2012 *2011*	2013 *2012*	2014 *2013*	2015 *2014*	2016 *2015*	2017 *2016*	2018 *2017*
TOTAL	24,7	26,1	26,7	27,2	27,3	29,2	28,6	27,9	26,6	26,1
Menos de 16 años	31,9	32,6	31,6	31,4	31,9	35,4	33,4	31,7	31,0	28,8
De 16 a 64 años	23,0	25,3	27,0	29,0	29,5	32,0	31,6	30,7	28,4	27,9
65 y más años	24,9	22,9	21,2	16,5	14,5	12,9	13,7	14,4	16,4	17,6

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

Thus, in 2018 (and with income data from 2017), 1.4% of the population was both at risk of poverty, with severe material deprivation and low employment intensity.

Intersections between sub-populations.
Year 2018 (with 2017 income data)
AROPE rate 26.1%

Riesgo de pobreza 21,5%

14,4

3,6 2,1

1,4

2,7 0,3 1,6

Baja intensidad en el empleo 10,7%

Carencia Material Severa 5,4%

At-risk-of-poverty threshold

According to Eurostat criteria, the at-risk-of-poverty threshold is set at 60% of the median[1] income per consumption unit[2] of persons. Therefore, it increases or decreases in line with the median income. As income per person increases, so does the at-risk-of-poverty threshold.

In 2018, the at-risk-of-poverty threshold for one-person households (calculated on the basis of income data for 2017) stood at 8,871 euros, that is, 4.1% higher than that estimated in the previous year. In households with two adults and two children under 14 years old, said threshold stood at 18,629 euros.

Median income and at-risk-of-poverty threshold
Euros

Año de la encuesta:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ingresos del año:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Renta mediana	14.795	14.605	13.930	13.868	13.524	13.269	13.352	13.681	14.203	14.785
Umbral de riesgo de pobreza										
Hogares de una persona	8.877	8.763	8.358	8.321	8.114	7.961	8.011	8.209	8.522	8.871
Hogares de dos adultos y dos niños	18.641	18.403	17.551	17.473	17.040	16.719	16.823	17.238	17.896	18.629

Population at risk of poverty

The population at 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 2018 (and taking into account income in 2017) the percentage of the population below the at-risk poverty threshold (the so called *at-risk-of-poverty rate[3]*) stood at 21.5% of the resident population in Spain, compared with 21.6% in the previous year.

By age group, the at-risk-of-poverty rate was reduced by 1.9 points for those under 16 years of age. Conversely, it increased 0.2 points for the 16-64 age group and 0.8 points for those over 65.

Population at risk of poverty by age group
Percentages

Año de la encuesta:	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Ingresos del año:	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
TOTAL	20,4	20,7	20,6	20,8	20,4	22,2	22,1	22,3	21,6	21,5
Menos de 16 años	28,9	28,8	27,2	26,9	26,7	30,1	28,8	28,9	28,1	26,2
16 y más años	18,8	19,2	19,4	19,7	19,2	20,7	20,8	21,1	20,4	20,7
De 16 a 64 años	17,5	18,6	19,3	20,9	20,8	23,2	23,2	23,3	21,9	22,1
65 y más años	23,8	21,8	19,8	14,8	12,7	11,4	12,3	13,0	14,8	15,6

[1]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, its value depends on the level of income and on how the income is distributed among the population.

[2] A consumer unit is a person living by him self. A household consisting of two adults constitutes 1.5 consumer units. Therefore 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.

[3]The at-risk-of-poverty rate in the LCS-2018 is the percentage of persons whose income of the previous year is below the poverty threshold.
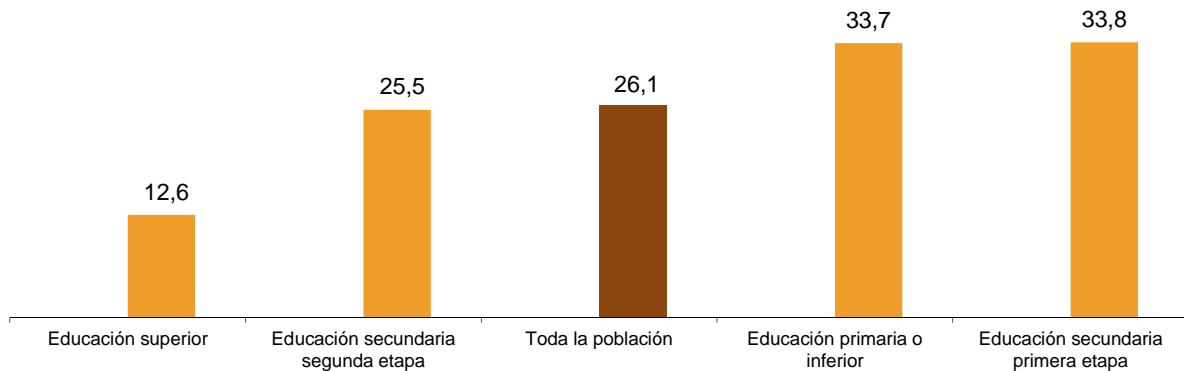
Population at risk of poverty or social exclusion according to characteristics (AROPE rate)

The AROPE rate can be disaggregated according to characteristics such as level of education or type of household.

With respect to the importance of the level of education, 33.8% of the population that has reached an educational level equivalent to first stage of secondary education were at risk of poverty or social exclusion in the LCS of 2018 (with income of 2017). In turn, when the level reached was higher education, this rate was reduced to 12.6%.

Risk of poverty or social exclusion (AROPE rate) by level of education attained (persons aged 16 and over). LCS-2018 (income of 2017)
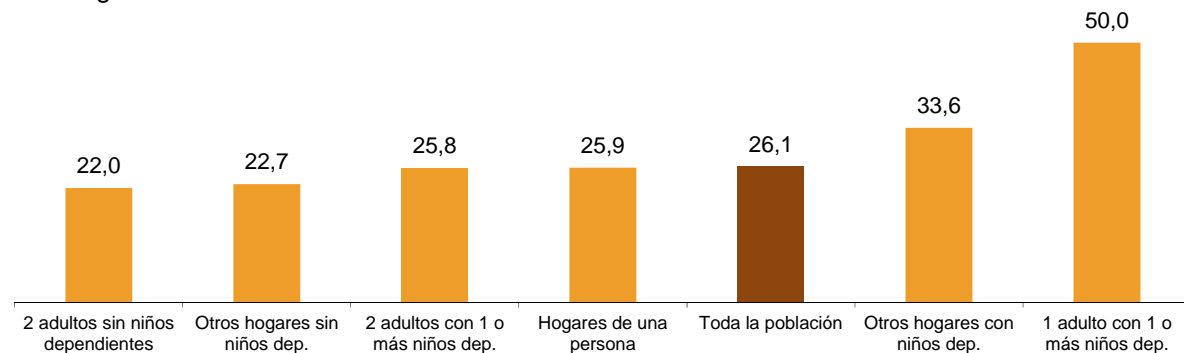Percentages

According to the type of household, 50.0% of persons living in households formed by an adult with dependent children were at risk of poverty or social exclusion in 2018. The lowest at risk-of-poverty or social exclusion rates were found in households without dependent children.

Risk of poverty or social exclusion (AROPE rate) by type of household. LCS-2018 (income of 2017)
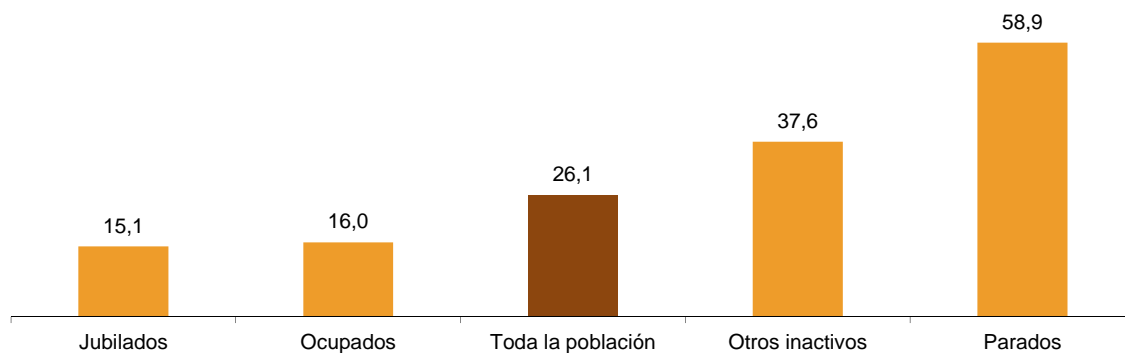Percentages

In terms of economic activity, 58.9% of the unemployed were at risk of poverty or social exclusion, as compared with 15.1% of retired persons.

Risk of poverty or social exclusion (AROPE rate) due to the relationship with the economic activity (persons aged 16 and over). LCS-2018 (income of 2017)
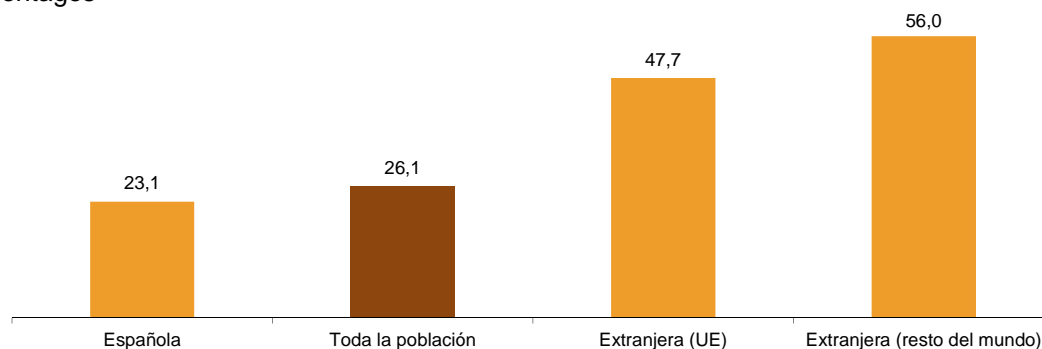Percentages

15,1	16,0	26,1	37,6	58,9
Jubilados	Ocupados	Toda la población	Otros inactivos	Parados

According to nationality, the percentage of persons below the threshold of risk of poverty or social exclusion was 23.1% for Spaniards, 47.7% for EU foreigners and 56.0% for persons whose nationality was not from an EU country.

Risk of poverty or social exclusion (AROPE rate) by nationality (persons aged 16 and over). LCS-2018 (income of 2017)
Percentages

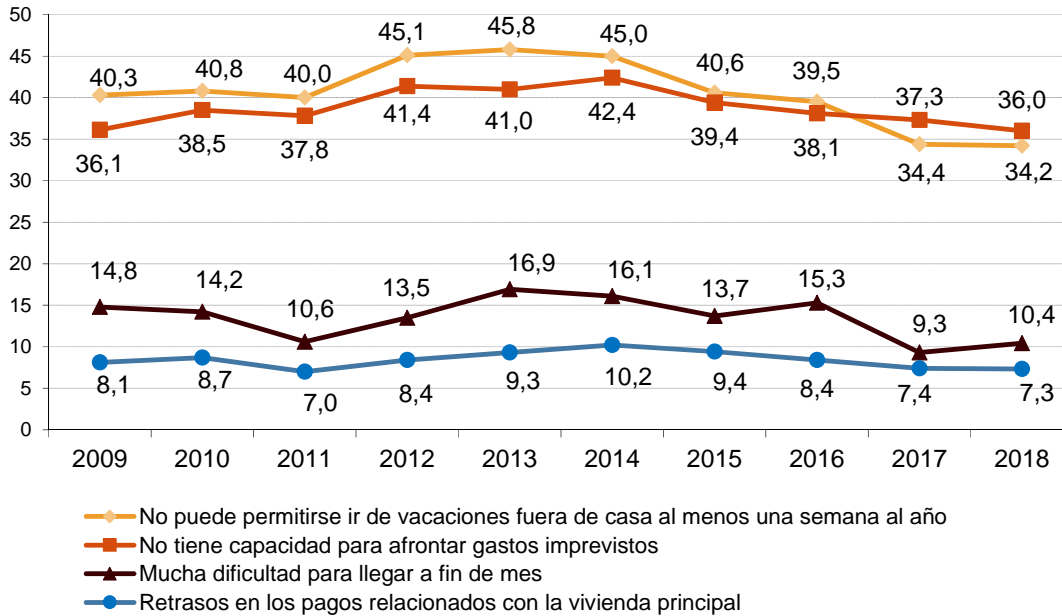|			
23,1	26,1	47,7	56,0
Española	Toda la población	Extranjera (UE)	Extranjera (resto del mundo)

Household economic situation

10.4% of Spanish households said that they would have "great difficulty" making ends meet in 2018. This percentage was 1.1 points higher than in the previous year.

On the other hand, 36.0% of households did not have the capacity to handle unforeseen expenses, compared to 37.3% in 2017.

34.2% of households could not afford to take a holiday away from home at least one week a year. This percentage was 0.2 points lower than that registered in 2017.

On the other hand, 7.3% of households were late in paying expenses related to the main dwelling (mortgage or rent, gas, electricity or community bills, etc.) in the 12 months prior to the interview. This percentage stood 0.1 points below that recorded the previous year.

Evolution of household economic difficulties
Percentages

Legend:
- No puede permitirse ir de vacaciones fuera de casa al menos una semana al año
- No tiene capacidad para afrontar gastos imprevistos
- Mucha dificultad para llegar a fin de mes
- Retrasos en los pagos relacionados con la vivienda principal

Results by Autonomous Communities

The highest average annual income (year 2017) were registered in País Vasco (14,722 per person), Comunidad Foral de Navarra (13,585 per person) and Cataluña (13,338).

In turn, the lowest average annual income was recorded in Extremadura (8,503 euros per person), Canarias (8,964) and Región de Murcia (9,111).

With regard to the AROPE rates of risk of poverty or social exclusion, the highest were found in Extremadura (44.6%), Andalucía (38.2%) and Canarias (36.4%).

In turn, País Vasco (12.1%), Comunidad Foral de Navarra (12.6%) and Aragón (17.7%) 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 (37.6%), Canarias (32.1%) and Andalucía (32.0%).

In turn, País Vasco (8.6%), Comunidad Foral de Navarra (8.9%) and Cataluña (13.6%) showed the lowest at-risk-of-poverty rates.

Average income, AROPE rate and at-risk-of-poverty rate by Autonomous Community. LCS-2018 (income of 2017)

	Ingresos medios por persona (euros)	Tasa AROPE (%)	Riesgo de Pobreza (%)
TOTAL	11.412	26,1	21,5
Andalucía	9.258	38,2	32,0
Aragón	11.990	17,7	14,2
Asturias, Principado de	12.085	20,9	14,0
Balears, Illes	13.240	18,1	15,4
Canarias	8.964	36,4	32,1
Cantabria	11.239	25,0	19,9
Castilla y León	11.949	19,5	16,1
Castilla - La Mancha	9.533	33,5	29,9
Cataluña	13.338	18,9	13,6
Comunitat Valenciana	10.232	30,2	26,0
Extremadura	8.503	44,6	37,6
Galicia	11.239	23,0	18,8
Madrid, Comunidad de	13.279	19,0	16,1
Murcia, Región de	9.111	32,7	28,6
Navarra, Comunidad Foral de	13.585	12,6	8,9
País Vasco	14.722	12,1	8,6
Rioja, La	12.029	20,4	16,6
Ceuta	9.784	49,3	38,3
Melilla	12.507	24,1	21,4

Regarding the financial situation of households, Andalucía (18.3%), Región de Murcia (16.2%) and Canarias (15.5%) were the Autonomous Communities with the highest percentages of households that reached the end of the month with "great difficulty" in 2018. Those that presented the lowest percentages were Aragón (4.1%), Castilla y León (4.5%) and País Vasco (6.4%).

52.4% of the households in Canarias, 52.1% in Andalucía and 47.3% in Región de Murcia did not have the capacity to face unforeseen expenses in 2018. On the opposite side were Comunidad Foral de Navarra (20.7%), País Vasco (22.2%) and Galicia (23.1%).

Andalucía (49.8%), Extremadura (47.6%) and Galicia (45.6%) presented the highest percentages of households that could not afford to go on holidays away from home for at least one week a year in 2018. The lowest percentages corresponded to País Vasco (18.1%), Aragón (21.2%) and Comunidad Foral de Navarra (21.5%).

In the case of households with delays in payments related to the main dwelling, Andalucía (12.7%), Región de Murcia (11.2%) and Canarias (9.0%) presented the highest percentages. In turn, Aragón (2.8%), Castilla y León (3.1%) and Galicia (4.0%) registered the lowest percentages.

Household economic difficulties by Autonomous Community. Year 2018
Percentages

	No puede permitirse ir de vacaciones fuera de casa al menos una semana al año	No tiene capacidad para afrontar gastos imprevistos	Retrasos en los pagos relacionados con la vivienda principal	Mucha dificultad para llegar a fin de mes
TOTAL	34,2	36,0	7,3	10,4
Andalucía	49,8	52,1	12,7	18,3
Aragón	21,2	29,8	2,8	4,1
Asturias, Principado de	30,9	33,0	4,4	9,8
Balears, Illes	27,4	29,9	7,2	8,8
Canarias	40,3	52,4	9,0	15,5
Cantabria	44,0	34,0	4,9	9,8
Castilla y León	27,3	25,7	3,1	4,5
Castilla - La Mancha	38,8	40,8	7,1	9,2
Cataluña	26,8	27,9	6,9	7,7
Comunitat Valenciana	36,1	40,2	6,0	7,3
Extremadura	47,6	43,2	8,2	12,0
Galicia	45,6	23,1	4,0	7,0
Madrid, Comunidad de	23,5	30,7	6,1	10,3
Murcia, Región de	43,3	47,3	11,2	16,2
Navarra, Comunidad Foral de	21,5	20,7	7,7	8,5
País Vasco	18,1	22,2	5,0	6,4
Rioja, La	23,4	27,5	5,8	7,5
Ceuta	46,1	57,0	20,7	26,2
Melilla	31,4	38,6	8,7	14,2

Review and updating of data

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

Methodological note

The Living Conditions Survey (LCS) is an annual statistical operation aimed at households, and it is conducted in all European Union countries. This is a harmonised statistic which is supported by Regulation (EC) No 1177/2003 of the European Parliament and of the Council of 16 June 2003 on Community statistics on income and living conditions.

The LCS was conducted for the first time in 2004. Its main objective is to provide information regarding the income, level and composition of poverty and social exclusion in Spain, and to enable making comparisons with other European Union countries. For this purpose, 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 2018 are referred to 2017 whereas the other questions are referred to 2018.

The LCS 2018 has been 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: Third four-month period of 2018.

Sample size: The effective sample is made up of some 34,000 people.

Type of sampling: The LCS is a panel survey in which the persons interviewed collaborate during four consecutive years. This is a stratified two-stage sampling. The first stage units are the census tracts and the second stage units are the family dwellings.

Collection method: personal and telephone interview.

For more information you can access the methodology at:

https://www.ine.es/en/daco/daco42/condivi/ecv_metodo_en.pdf

And the standardised methodological report at:

https://www.ine.es/dynt3/metadatos/en/RespuestaDatos.html?oe=30453