

27 October 2011

## Household Budget Survey Year 2010

### Main results

- Total household consumption expenditure decreases 1.5% in 2010. After adjusting for the effect of inflation, this rate is -3.1%.
- Among the groups carrying the greatest weight in total expenditure, *Food and non-alcoholic beverages* presents an annual variation of -1.7%, in current terms. In turn, *Housing* and *Transport* present positive rates of 0.4% and 1.6%, respectively.
- Average household expenditure is 29,782 euros, indicating a decrease of 2.1%, as compared with the year 2009. Households spend 30.0% of their budget on expenses related to *Housing*, 14.4% on *Food and non-alcoholic beverages* and 12.4% on *Transport*.
- In 2010, average expenditure per person decreases 1.8%. The Autonomous Communities with the greatest average expenditure per person are País Vasco, Comunidad Foral de Navarra and Comunidad de Madrid. Conversely, Canarias, Extremadura and Región de Murcia register the least expenditure per person.
- As has been concluded from the annual module included in the 2009 survey, 14.4% of households have domestic service this year<sup>1</sup>.

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<sup>1</sup> **Domestic Service:** "Domestic Service" is considered to be any person who renders services of a domestic nature to the household, in exchange for previously stipulated payment, in cash or in kind (for example, chauffeurs, maids, gardeners, nannies or home cleaning staff).

## Total expenditure

Total household consumption expenditure decreased 1.5% in 2010, as compared with the previous year. In constant terms, this rate was -3.1%.

By group, those presenting the greatest interannual decreases were *Restaurants, cafés and hotels* (-4.7%), *Furniture, equipment and other household expenses* (-4.6%) and *Other goods and services* (-4.5%). The first two groups had registered negative rates since 2008.

The *Education* group presented the greatest growth (9.6%). In turn, *Transport* (1.6%) and *Housing* (0.4%) had more moderate rates. Worth noting was that these two groups experienced negative evolution in constant terms, with rates of -5.1% and -1.6%, respectively.

## Variation rates of total expenditure, by expenditure group Year 2010

Expenditure groups	Annual variation (Current)	Annual variation (Constant for 2006)
<b>TOTAL</b>	<b>-1.5</b>	<b>-3.1</b>
1. Food and non-alcoholic beverages	-1.7	-0.9
2. Alcoholic beverages and tobacco	1.3	-7.9
3. Clothing and footwear	-4.2	-3.9
4. Housing, water, electricity and fuels	0.4	-1.6
5. Furniture, equipment and other household expenses	-4.6	-5.2
6. Health	-2.4	-1.4
7. Transport	1.6	-5.1
8. Communications	-2.3	-1.7
9. Leisure, performances and culture	-3.7	-1.6
10. Education	9.6	7.0
11. Restaurants, cafés and hotels	-4.7	-5.8
12. Other goods and services	-4.5	-6.7

## Average household expenditure

The growth of the population in Spain, and the decrease in household size in recent years, have resulted in an increase in the number of households.

This increase, together with the aforementioned decrease in total expenditure with regard to 2009, led to the average household expenditure decreasing 2.1% in 2010, as compared with the previous year, and standing at 29,782 euros. After adjusting for the effect of inflation, there was a 3.6% reduction in average household expenditure.

Regarding the structure of household expenditure, households spent 30.0% of their budget on *Housing*-related expenses (8,935 euros), including real rents, and current expenses of water, electricity, gas, community, repairs, heating, as well as an estimated rent in those cases in which the household was the owner of the dwelling, or the dwelling was transferred or granted to the household (imputed rent).

The other two expenditure groups that carried the highest percentages of the household budget were *Food and non-alcoholic beverages* consumed in the home, which represented 14.4% of the total (4,279 euros) and *Transport*, accounting for 12.4% of the budget (3,680 euros).

Of particular note was the continued increase of the *Housing* group in the household budget, as its weight had increased more than five points since 2006.

Conversely, *Transport* had experienced a decrease of more than two points in its importance in household budgets since 2006, while *Clothing and footwear* had decreased 1.3 points and *Furniture* one point.

### Average household expenditure and distribution of expenditure by group

Expenditure groups	Year 2006		Year 2010	
	Average household expenditure (euros)	Distribution of expenditure (%)	Average household expenditure (euros)	Distribution of expenditure (%)
<b>Total</b>	30,562	100.0	29,782	100.0
1. Food and non-alcoholic beverages	4,393	14.4	4,279	14.4
2. Alcoholic beverages and tobacco	563	1.8	627	2.1
3. Clothing and footwear	2,090	6.8	1,676	5.6
4. Housing, water, electricity and fuels	7,582	24.8	8,935	30.0
5. Furniture, equipment and other household expenses	1,813	5.9	1,452	4.9
6. Health	902	3.0	943	3.2
7. Transport	4,504	14.7	3,680	12.4
8. Communications	867	2.8	926	3.1
9. Leisure, performances and culture	2,117	6.9	1,976	6.6
10. Education	278	0.9	309	1.0
11. Restaurants, cafés and hotels	3,027	9.9	2,716	9.1
12. Other goods and services	2,426	7.9	2,263	7.6

### Results by Autonomous Community

Average expenditure per person in Spain in 2010 was 11,161 euros, indicating a decrease of 1.8%, as compared with the previous year.

The Autonomous Communities which recorded the greatest expenditure per person were País Vasco (13,634 euros), Comunidad Foral de Navarra (13,263 euros) and Comunidad de Madrid (13,148 euros).

Conversely, Canarias (8,977 euros), Extremadura (9,172 euros) and Región de Murcia (9,324 euros) were the Communities with the least expenditure per person.

Average expenditure per person in País Vasco exceeded the national average by 22.2%, whilst expenditure in Canarias was 19.6% lower than the average.

### Average expenditure per person, by Autonomous Community of residence. Year 2010

Autonomous Community	Average expenditure per person (euros)	Index on the mean of the average expenditure per person
País Vasco	13,634	122.2
Navarra (Comunidad Foral de)	13,263	118.8
Madrid (Comunidad de)	13,148	117.8
Asturias (Principado de)	12,393	111.0
Cataluña	12,165	109.0
Cantabria	11,633	104.2
Balears (Illes)	11,431	102.4
Rioja (La)	11,208	100.4
<b>Total</b>	<b>11,161</b>	<b>100.0</b>
Aragón	10,966	98.3
Galicia	10,654	95.5
Castilla y León	10,533	94.4
Comunitat Valenciana	10,432	93.5
Andalucía	10,051	90.1
Castilla - La Mancha	9,862	88.4
Murcia (Región de)	9,324	83.5
Extremadura	9,172	82.2
Canarias	8,977	80.4
Ceuta and Melilla	8,746	78.4

### Results according to the main source of household income

Household expenditure varies, according to the main source of household income. In 2010, the greatest expenditure was registered in those households in which the main source of income was *Self-employed work*. These households experienced the greatest decrease in expenditure in recent years, from 39,389 euros in 2006 to 36,571 euros in 2010.

In contrast, those households with *Income from property and capital and other regular income* as their main source of income, experienced the greatest increase in expenditure in

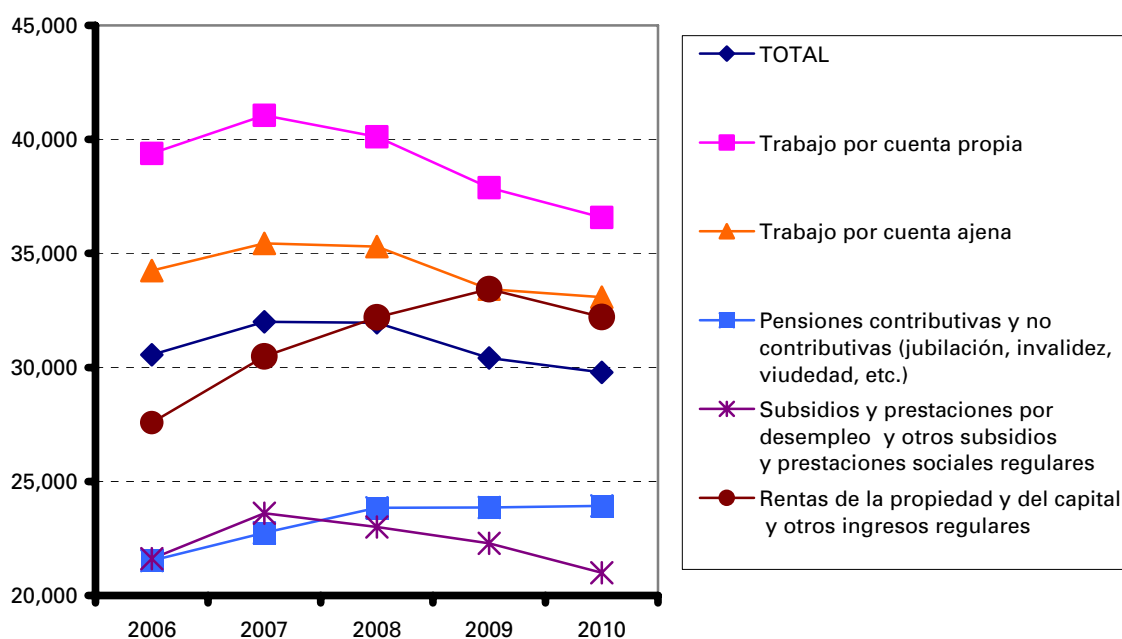
recent years, reaching 32,209 euros in 2010, as compared with the 27,587 euros recorded in 2006.

The households with the least expenditure in 2010 were those whose main sources of income were *Subsidies and unemployment benefits* (21,001 euros) and *Pensions* (23,929 euros). Nonetheless, whilst the former showed a generalised decreasing trend since 2006, the latter showed a growing trend.

### Evolution of average household expenditure, according to the main source of household income

Main source of household income	Average household income (euros)				
	2006	2007	2008	2009	2010
<b>TOTAL</b>	<b>30,562</b>	<b>32,001</b>	<b>31,953</b>	<b>30,411</b>	<b>29,782</b>
Self-employed work	39,389	41,051	40,122	37,886	36,571
Work for others	34,252	35,438	35,300	33,430	33,079
Contributory and non-contributory pensions (retirement, disability, widowhood)	21,533	22,747	23,849	23,854	23,929
Subsidies and unemployment benefits, and other subsidies and regular social benefits	21,616	23,604	23,006	22,286	21,001
Income from property and capital and other regular income	27,587	30,479	32,201	33,427	32,209

### Evolution of average household expenditure, according to the main source of income



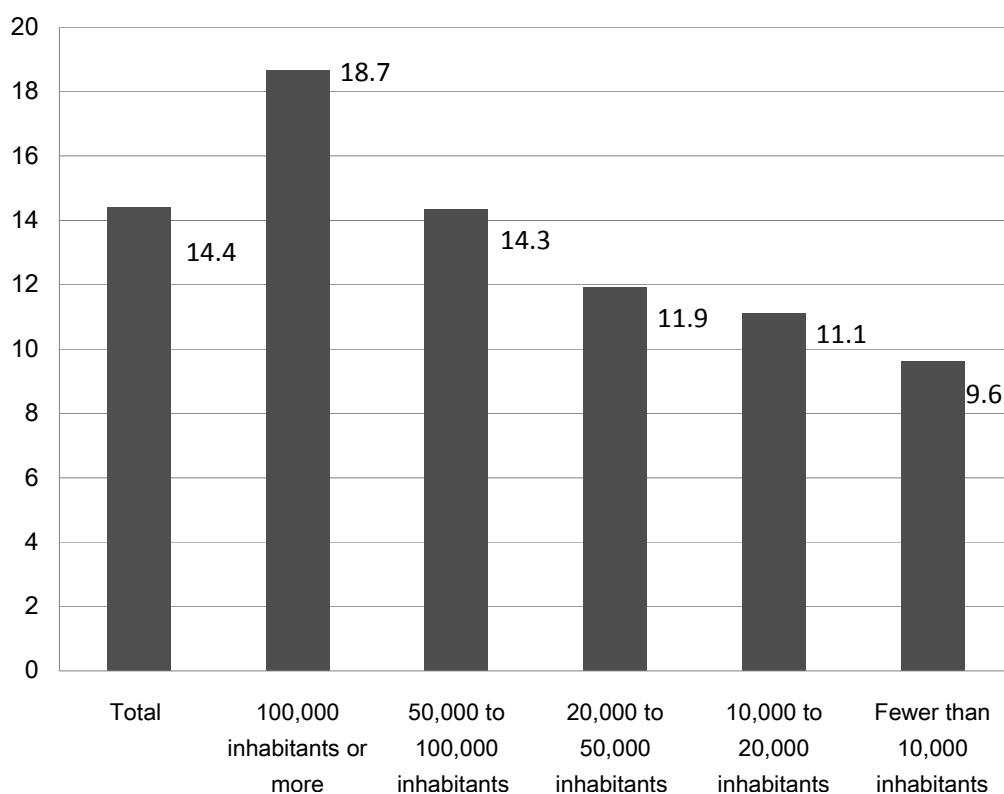
### Domestic service

In 2009, the Household Budget Survey included a module regarding domestic service, the aim of which was to ascertain its labour characteristics, the services provided to households and their sociodemographic features.

From the results of said study, it has been concluded that 14.4% of households had hired domestic service in 2009 <sup>(2)</sup>.

This percentage increased progressively, along with the size of the municipality of residence of the household, from 9.6% for households residing in municipalities of fewer than 10,000 inhabitants, to 18.7% for those residing in municipalities of 100,000 inhabitants or more.

### Percentage of households with domestic service, by size of the municipality of residence



Regarding the type of household, those that were most likely to have domestic service were the households comprised of a person or couple aged 65 years old or over (24.4%), followed by couples (or a single parent) with children under 16 years of age (14.9%).

<sup>2</sup> "Domestic Service" is considered to be any person who renders services of a domestic nature to the household, in exchange for previously stipulated payment, in cash or in kind (for example, chauffeurs, maids, gardeners, nannies or home cleaning staff).

Among the households with domestic service, 58.1% had staff with Spanish nationality and 37.6% had staff with foreign nationalities (in the remaining cases, either the household did not know the nationality or it was both Spanish and foreign).

As per the average number of hours worked per week, 38.8% of the households with domestic service had such staff working fewer than four hours, 39.4% between four and less than 10 hours, and 16.8% had domestic service staff working between 10 and less than 40 hours per week. 8.3% of the households with domestic service had such staff working full time<sup>3</sup>.

Most households with domestic service had such staff working to maintain the home, care for the clothing, and prepare meals (96.7%), 10.6% to care for adults and 6.6% to look after children. Moreover, 12.1% had domestic service staff hired for the rendering of other services, such as gardening, caring for pets, shopping, etc.<sup>4</sup>

Lastly, in 91.3% of the cases, the household itself, with no help, paid the domestic service staff. In 3.7% of the cases, social services or other public institutions completely took care of said payment, and in 3.5% of the cases, the payment of the domestic service staff was made jointly between the household and social services or other public institutions.

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<sup>3</sup> A single household may be classified in more than one category if it has more than one person hired for domestic service.

<sup>4</sup> A person in domestic service may render more than one service in the household.

## Methodological annex

The Household Budget Survey (HBS) is one of the oldest household surveys conducted by the INE. The current HBS, carried out annually since 2006, is a substitute for the quarterly Household Budget Continuous Survey. Today, the INE is presenting the data referring to the year 2010. Also available, as of today, on the INE website, are both the detailed results and the microdata files.

### Main conceptual aspects

#### *Objectives*

The HBS allows for obtaining estimates of **annual** household consumption expenditure, as well as the **corresponding interannual change** for the **nation as a whole and for the Autonomous Communities**.

In the scope of País Vasco and Comunidad Foral de Navarra, the survey has been conducted in partnership with the Basque Statistics Institute (Eustat) and the Statistics Institute of Navarra (IEN), respectively.

The expenditure estimates from the survey are a basic element for the calculation of household consumption expenditure in the National Accounts. Likewise, the information from the HBS is used to establish the CPI weightings structure.

#### *Household consumption expenditure*

The consumption expenses that are recorded in HBS 2006 refer both to the **monetary** flow that the household spends on certain final consumption goods and services, and to the value of certain **non-monetary household** consumption, including:

- Those proceeding from self-supply final consumption production (garden, farm, factory, workshop, or those taken from one's own shop).
- Salary in kind.
- Free or subsidised food or restaurant checks at the workplace or in the hotel establishment that is the property of some member of the household.
- Estimated rent of the dwelling in which the household resides (when the household is the owner of said dwelling, or it is granted free of charge or at a low price by other households or institutions).

#### *Classification of consumption*

The different household expenses are encoded using the COICOP classification (Classification of Individual Consumption by Purpose). The use of this classification facilitates international comparability, in particular on a European Union scale, in accordance with the requirements of the corresponding Statistical Office (Eurostat).



Said classification is structured in the following 12 large groups:

1. Food and non-alcoholic beverages
2. Alcoholic beverages and tobacco
3. Clothing and footwear
4. Housing, water, electricity, gas and other fuels
5. Furniture, household equipment and current maintenance costs for the dwelling
6. Health
7. Transport
8. Communications
9. Leisure, performances and culture
10. Education
11. Restaurants, cafés and hotels
12. Other goods and services

***Expenditure evaluation criteria***

Household expenditure is registered at **acquisition prices**, that is, at the price that the buyer effectively should pay for the products at the time of purchase and in accordance with their cash price.