

8. LIVING CONDITIONS

Based on the membership in the European Union, the Czech Statistical Office carried out further EU-SILC (Statistics on Income and Living Conditions) sample survey in households called "**Living Conditions 2010**". The aim of the survey is to obtain on a long-term basis comparable data on social conditions of households, which are comparable also with other EU countries due to the survey unified methodology.

The survey applies the method of a four-year sample rotation; about a quarter of the observed households is replaced every year. The survey results are representative only up to the level of regions due to the sample size. **When interpreting and analysing the survey results it is necessary to keep in mind that they have some errors** (both sample and non-sample). More information (e.g. tables with 95% confidence intervals estimates, from which the interval, in which the real value of the estimated characteristic occur with 95% probability, is clearly seen) can be found, along with the detailed methodology, **in the source publication** "Household Income and Living Conditions 2010" on the webpages www.czso.cz, Section 3 – Labour and Social Statistics.

The survey included all persons, who in the reference period had their regular residence in the selected dwelling, including persons temporarily absent. This also held to foreign nationals and subtenants. The **private household** shall mean an individual or a group of persons who permanently live together and share expenditure on their needs. The **equivalent size** of household indicates the composition of households calculated by weights of consumption of respective household members (it reflects savings on costs of consumer durables and services serving to a higher number of the household members as household appliances, electricity, etc.). The OECD scale assigns the weight of 1.0 to the first adult in the household; any other adult (aged 14+ years) has 0.7; and any child (aged 0–13 years) has 0.5. The OECD-modified scale weights take more into account the household size (number of members) related savings and are defined as follows: the first adult in the household has 1.0; any other adult (aged 14+ years) has 0.5; and any child (aged 0–13 years) has 0.3.

Income of persons and income of households were surveyed always for the year before the survey. The **gross money income** includes all income from work (from employment or self-employment), social income, and all other kinds of regular and irregular income awarded to the household or its individual members. The **net money income** of the household was obtained by subtracting of appropriate health and social insurance contributions and income taxes. The total net income of the household includes income in kind comprising of consumption of own-account production and/or employee benefits in kind (e.g. contributions for board).

The **living minimum of the household** was calculated separately for each private household on the basis of its composition, age of children, and lawful living minimum amounts (since 2007 the data cannot be compared with those of previous years due to the new methodology introduced). The **income poverty line** was 60% of the median (i.e. the value in the middle of the income distribution) calculated from equivalised disposable income for persons. Lines for the **quintile distribution of households** by the net money income per person were calculated from the total for all households of the Czech Republic. Corresponding households and their members were categorized into five income groups determined this way for respective regions.