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MAIN RESULTS
OF THE EUROSYSTEM'S HOUSEHOLD FINANCE AND CONSUMPTION SURVEY: ITALY IN THE INTERNATIONAL CONTEXT

by Romina Gambacorta[1], Giuseppe Ilardi[1], Andrea Locatelli[2],
Raffaella Pico[3] and Cristiana Rampazzi[3]

Abstract

The paper presents the main results of the Eurosystem's Household Finance and Consumption Survey (HFCS), with an emphasis on Italy's results in the international context. The paper examines households' socio-demographic characteristics, the distributions of income and wealth, ownership of real and financial assets, and household indebtedness. The results for Italy reveal a mean gross household income below the euro-area average. The concentration of income in Italy is roughly situated at the median position among the countries considered, while the relative poverty index is comparatively high. Among the main euro-area countries, Italy has the same average level of per capita net worth of Spain and this level is slightly higher than those of France and Germany; this is consistent with the high savings rates recorded by Italian households in the last few decades, although this trend has decreased in recent years. Finally, Italy shows the lowest percentage of indebted households.

JEL Classification: D12, D31.
Keywords: households' wealth, poverty, indebtedness and micro data.

Indice

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1. Introduction and main results[1]

The Eurosystem Household Finance and Consumption Survey (HFCS) is a harmonized sample survey of the wealth, income and consumption of euro-area households conducted on a voluntary basis by the national central banks (NCBs). The survey provides information on households' behaviour allowing for a better understanding of the transmission mechanisms of monetary policy and an assessment of households' financial stability. Anonymised microdata files are made available to researchers.

The NCBs have collected, using harmonized definitions and a methodology that is as standard as possible, the variables needed to construct households' accounts, in terms of both stocks and flows, with a focus on the components of wealth. Three quarters of the information are gathered at household level, the remainder at individual level.

Of the fifteen countries that participated in the first edition of the HFCS,[2] eight made use of existing surveys while seven launched new ones. The surveys were conducted primarily between 2010 and 2011;[3] as regards Italy, the data include those of the Survey on Italian Household Income and Wealth (SHIW) in 2010. Although the questionnaire and statistical methodology are broadly harmonized, it should be noted that in the first edition of the HFCS some economic variables may suffer from comparability problems due to the adaptation of existing national surveys, the presence of new data-collection procedures in the new surveys, and partly different observation periods.[4] The interpretation of the differences between countries requires therefore particular caution.

The results of the surveys, after careful validation, provide information on the distribution of the phenomena investigated that complements the macroeconomic estimates of the national accounts; they do not replace the latter, which serve to quantify phenomena at an aggregate level. Moreover, the survey data show some definitional differences with respect to the national accounts, so that the results of the comparison need to be interpreted with a degree of caution.

Three main aspects need to be borne in mind: the survey focuses on households (thus excluding private social institutions); some components of pension wealth are not observed, including those related to public pension provision; and the results are based on interviewees' subjective assessment of the value of the assets possessed.

This document reports the results of calculations based on survey data, with special reference to the international comparison of Italy's position.[5]

- On average euro-area households had 2.3 members (2.5 in Italy), of whom 1.5 were income recipients (1.6 in Italy). The smallest households were found in Germany (2.0 members), Finland and Austria (2.1 members in both countries), while the largest were in Malta (2,9 members), Cyprus and Slovakia (2.8 members in both countries).

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[1] We wish to thank Giovanni D'Alessio for his numerous comments during the preparation of the paper. We are also grateful to Andrea Brandolini, Luigi Cannari, Marco Magnani and Silvia Magri for their valuable suggestions. The opinions expressed are our own and do not necessarily reflect those of the Bank of Italy.

[2] Ireland and Estonia will collect data only from the second edition onwards. The total sample of the first edition consisted of about 62,000 households (Table 1).

[3] The fieldwork periods in the various countries are not exactly aligned because the countries that already carried out a survey maintained their collection frequencies. A gradual convergence for the next editions is planned in order to eliminate the remaining asymmetries, which cause some comparability problems, including the disparities in the reference periods adopted for the observation.

[4] For a complete presentation of the specific characteristics of each survey, see "The Eurosystem Household Finance and Consumption Survey - Methodological report for the first wave", ECB Statistics Paper Series, No. 1, April 2013 (www.ecb.europa.eu/pub/pdf/other/ecbsp1en.pdf).

[5] See also "The Eurosystem Household Finance and Consumption Survey – Results from the first wave", ECB Statistics Paper Series, No. 2, April 2013 (www.ecb.europa.eu/pub/pdf/other/ecbsp2en.pdf). The calculations were made on the 1.8 version of the database. In some cases additional calculations are reported with respect to those contained in the aforementioned report, especially as regards the indicators of poverty.

- Just over 40 per cent of the population of the euro area was in work (35.7 per cent were employees and 6.1 per cent self-employed). In Slovakia, Austria and Germany 48.1, 46.6 and 46.2 per cent of household members were in work, while Italy had the lowest employment rate (37.7 per cent, of which employees accounted for 30.2 per cent).

- Household mean annual income gross of taxes and social security contributions amounted to about €37,850, just over €3,000 per month. Median income, i.e. the amount which divides the income distribution into two equal groups, half having income above that amount and half having income below that amount, was about €28,600. The highest median values were recorded in Luxembourg and the Netherlands, the lowest in Portugal and Slovakia. Italy ranked ninth among the 15 countries considered.

- Gross equivalent income, a measure of the resources available at the individual level, which takes into account the size and the composition of the household, was about €23,500. The proportion of poor people, identified as persons with an equivalent income of less than half the median of each country, was 13 per cent for the euro area as a whole; the value for Italy was higher (16.5 per cent).

- According to the Gini index, the inequality of equivalent income for the euro area as a whole was 0.40. The largest countries in the survey (namely, France, Germany, Italy and Spain) had intermediate levels of inequality (with indices ranging from 0.35 to 0.39); inequality was greatest for Belgium and Portugal (respectively 0.46 and 0.43) and lowest for Slovakia and the Netherlands (about 0.30).

- Household net wealth, i.e. the sum of real and financial assets net of financial liabilities, had a mean value of about €230,000 for the euro area. Among the countries with a relatively large population, wealth was greatest in Belgium (about €340,000) and least in Greece and Portugal (about €150,000). Household mean net wealth in Italy was relatively high by international standards (€275,200).

- The differences between the mean values of the various countries were influenced by a range of factors, such as household size and structure, home ownership, countries' institutional characteristics, and methodological questions concerning measurement. For example, mean wealth in Germany was €195,200, which was less than in Spain, Italy and France (€291,400, €275,200 and €233,400 respectively). When per capita wealth is considered, the gaps were much smaller: for Italy and Spain the per capita values were €108,700, just a little more than those of France (€104,100) and Germany (€95,500). In addition, households made up of young people were less frequent in Spain and especially in Italy than in Germany and France; such households were less wealthy than the others because they had not yet had time to accumulate wealth; their greater frequency in Germany and France tended to reduce the overall mean value of household wealth in those countries. The lower wealth of German and (although to a lesser extent) French households was also a consequence of the level of home ownership (44 per cent in Germany and 55 per cent in France, as against 69 per cent in Italy and 83 per cent in Spain) and of the greater degree of under-reporting that tends to be associated with a higher proportion of wealth in the form of financial assets.

- The concentration of wealth was much higher than that of income in all surveyed countries; it was highest in Germany and Austria and lowest in Greece, Spain and Italy.

- Italy's financial market participation rates were lower than those of the euro area for nearly all the different instruments, except for bonds and government securities, which were held by almost 15 per cent of Italian households, which compares to 5 per cent in the euro area. In the other countries particularly high percentages were found for the ownership of mutual funds in Germany and Belgium (6 percentage points above the mean), of listed shares in France and particularly in Finland (nearly 5 percentage points above the mean in the former and more than twice the mean in the latter), and of voluntary pension fund units in the Netherlands, Belgium and Germany (more than 10 percentage points above the mean).

- Some 43.7 per cent of households in the euro area had debts. The countries with the highest proportion of indebted households were the Netherlands and Cyprus (65.7 and 65.4 per cent respectively); Italy had the lowest proportion (25.2 per cent).

2. Household structure

Households in the euro area had 2.3 members on average, of whom 1.5 were income recipients, i.e. there were about two income recipients for every three household members. The smallest households were in Germany (2.0 members), Finland and Austria (2.1 members in both countries), while the largest were in Malta (2.9 members), Cyprus and Slovakia (2.8 members in both countries).[6] The figure for Italy (2.5 members) was only slightly above the euro-area mean (Table 2).

The distribution of households by type also varied considerably in the countries covered by the survey (Table 3). Couples with children accounted for 30.6 per cent of households in the euro area, for about 40 per cent in Italy and for just over 20 per cent in Austria, Finland and Germany. The differences were partly due to adult children staying longer in their households of origin in the Mediterranean countries. One-member households, which accounted for just under one third of the total, were more common instead in Northern countries. In the euro area the number of minor children per household was on average 0.44 (in Italy it was 0.46), with values ranging between 0.58 in Malta and 0.35 in Austria and Germany. The aforementioned differences in household size were thus mainly due to the adult component.

Mean household size varied with the age of the head of the household,[7] rising from 2.2 members for households whose head was younger than 35 to 3.0 members when the head was aged between 35 and 44, and then falling when the head was older, reaching 1.7 members when the head was 65 or older (Table 2).

The mean number of income recipients was highest in Slovakia and Portugal (2.0 and 1.8 respectively) and lowest in the Netherlands (1.3) and in Belgium, Germany and France (1.5). However, when account is taken of the differences in mean household size, the number of income recipients was highest in Austria, Germany, Slovakia and Finland, where more than 70 per cent of household members were income recipients, while about 60 per cent of household members were income recipients in Malta, Spain, Cyprus and Greece; the figure for Italy was 64.0 per cent (Table 4).

The percentage of euro-area households with a male reference person was 65.0 per cent; the figure for Italy was 67.1 per cent (Table 5). The highest percentages were found for Malta (75.2 per cent) and Spain (72.9 per cent), the lowest for Finland (57.3 per cent). In 15.8 per cent of households the head was younger than 35 while in 27.7 per cent of them the head was 65 or older. Italy recorded the highest frequency of old household reference persons and the lowest frequency of young ones: 32.4 per cent of Italian household reference persons were 65 or older, and only 8.6 per cent were younger than 35.

Considering household members, there was a slight majority of females (51.1 per cent overall and 51.4 per cent in Italy); 39.7 per cent of household members were younger than 35 while 18.1 per cent were 65 or older. The members of Italian and German households were the oldest in the euro area. In Italy more than 20 per cent of household members were 65 or older while 36.4 per cent were younger than 35; these were respectively the second highest and the second lowest values for the countries in the sample (Germany scored the highest and the lowest).

Household reference persons were more likely employees than self-employed workers (respectively 47.9 and 9.0 per cent); the remaining 43.1 per cent were not in employment (Table 6). Most of the latter percentage consisted of pensioners (overall just over 30 per cent, 36.4 per cent in Italy). The work status of household reference persons varied considerably across the sample countries: in Slovakia about 70 per cent were workers, compared with between 55 and 67 per cent elsewhere (57.4 per cent in Italy). Household reference persons were most frequently employees in Luxembourg and Slovakia (respectively 59.0 and 58.0 per cent). Greece and Italy recorded the highest percentages of self-employed household reference persons (respectively 18.9 and 13.1 per cent).

Just over 40 per cent of the total euro-area population were in work (35.7 were employees and 6.1 per cent were self-employed workers). The share of household members who were in work in Slovakia,

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6 As a consequence of definitional disparities, the estimates shown in this document may differ from those published in "Survey of household income and wealth 2010", Supplements to the Statistical Bulletin, new series, No. 6, 2012.

7 In this document the head of the household is the member of the household receiving the most income. The Cyprus households were an exception in this respect; in fact the head of the household was taken to be the person answering the questionnaire. This choice was made because most of the basic demographic information was not available on the other household members.

Austria and Germany was 48.0, 46.6 and 46.3 per cent respectively; Italy recorded the lowest employment rate (37.7 per cent, to which employees contributed 30.2 per cent).

The most frequent educational qualification in the euro area was the upper secondary school diploma (41.3 per cent; 35.0 per cent in Italy), while about a quarter of household reference persons had a degree. In Italy more than 50 per cent of household reference persons had at most a lower secondary school certificate and only 11.7 per cent of them had a degree (Table 7). In Portugal 61.1 of household reference persons had only a primary school certificate; in Austria, Germany, the Netherlands, Slovakia, Slovenia and Finland the same figure was below 5 per cent. In the entire population, the upper secondary school diploma was the most frequent educational qualification (34.4 per cent; 30.7 per cent in Italy). Persons with a degree accounted for 17.6 per cent of the euro-area population and for as few as 8.7 per cent in Portugal and 9.4 per cent in Italy.

In countries where interviewees' place of birth was recorded,[8] 10.9 per cent of household reference persons and 9.7 per cent of household members were immigrants. This statistic results from a variety of national situations: in Luxembourg more than 40 per cent of household reference persons were immigrants, while in Finland and Slovakia the proportion was less than 5 per cent. In Italy immigrants were below the euro-area mean for both household reference persons (8.5 per cent) and household members (7.7 per cent).

3. Income

In the survey countries household mean annual income gross of taxes and social security contributions was equal to about €37,850, while the median value was €28,600; the corresponding values for Italy were slightly lower at respectively about €34,350 and €26,250 (Table 8).[9] Italy was in an intermediate position (Figure 1). The high mean value of income in the Netherlands and the relatively low degree of concentration may have been due to the way in which the data were collected (the questionnaires were completed over the Internet).

The indicator of household income does not take account of the differences in household composition across countries. To obtain a measure approximating the level of economic wellbeing, total household income can be adjusted according to an equivalence scale.[10] Mean gross equivalent income was equal to about €23,500 in the survey countries and to about €20,000 in Italy (Table 8). The corresponding median values were respectively €18,444 and €16,917. As for the main euro-area countries, the equivalent incomes in Italy were slightly higher than those in Spain, where the mean was €17,721 and the median €14,000, and slightly lower than those in France, where the mean was €23,737 and the median €19,329. German households were those with the highest equivalent incomes, with a mean of €29,629 and a median of €23,180.[11]

[8] Information on household members' country of origin was not available for France, the Netherlands or Spain.

[9] By contrast with what was reported in "Survey of household income and wealth 2010", consideration is given here to income gross of taxes and social security contributions (and excluding imputed rents). For Italy, where the survey collects households' net income, it was necessary to gross up net income by adding an estimate of taxes and social security contributions. The method used to calculate personal income tax and the related municipal and regional surtaxes was a recursive calculation whereby it was possible to find the gross income such that, given the household characteristics and the different types of income earned and assets owned by each individual, applying the structure of the tax gives a net income equal to that declared in the survey. For social security contributions, we simply applied the rate for each type of worker.

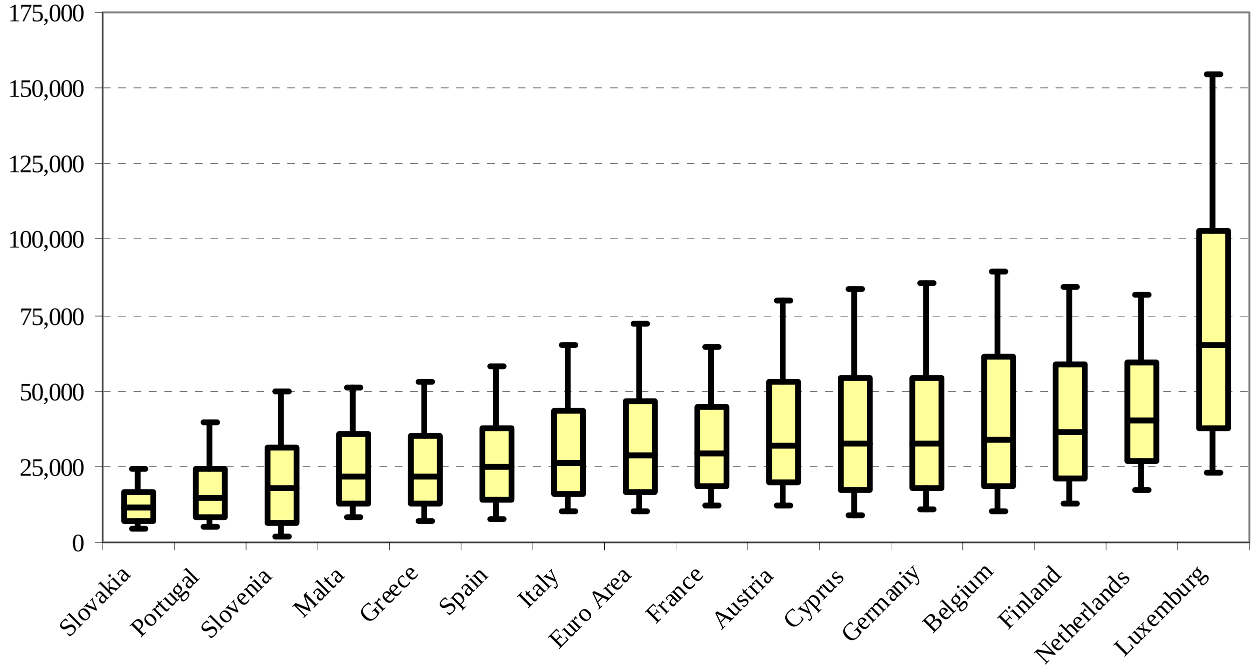
[10] We use the modified OECD scale of equivalence, which assigns a coefficient of 1 to the head of the household, 0.5 to other household members aged 14 or more, and 0.3 to those younger than 14. Equivalent household income is the income the individual household members would need if they lived alone in order to have the same standard of living as the household they are part of.

[11] In Italy the regions of the Centre and North had an mean equivalent income of about €39,000, close to that of Austria and higher than that of France; the regions of the South had an mean equivalent income of about €25,000, just below those of Greece and Malta.

Figure 1

Distribution of gross annual household income

(euros)(*)



(*) The figure shows, for each country, the distribution of household income: the median value (the horizontal bar); the distance between the 25th and the 75th percentiles (the yellow vertical bar) and that between the 10th and the 90th percentiles (the horizontal bars at the limits of the black vertical bars).

The median equivalent income data for the 15 countries surveyed are consistent with the corresponding estimates derived from the *Survey on Income and Living Conditions* (EU-SILC): the correlation coefficient was equal to 0.972. In addition, comparison of the per capita incomes estimated on the basis of the survey with the per capita disposable incomes derived from the various countries' national accounts gives a correlation coefficient equal to 0.942.

Table 9 provides details of the relationship between the estimates of mean per capita incomes based on the HFCS and those based on the national accounts. To ensure correct comparison, it should be remembered that the macroeconomic estimates refer to incomes net of taxes while those based on the survey are gross of taxes. In most of the countries surveyed, however, the sample estimates were significantly lower than those of macroeconomic origin, owing to the typical phenomenon of under-reporting. In Austria, Belgium, Cyprus and Germany the sample estimates were higher than those based on national accounts, owing to the over-sampling of the rich adopted in these countries. In the case of the Netherlands there was a relatively wide gap between the two estimates, probably as a consequence of the method of collecting data over the Internet referred to above.

The differences in incomes across the sample countries are diminished when account is taken of the different purchasing power of incomes in each country. For instance, Finland's equivalent income was respectively about two times and four times Slovakia's when adjusted for purchasing power parity and when unadjusted (Table 8).

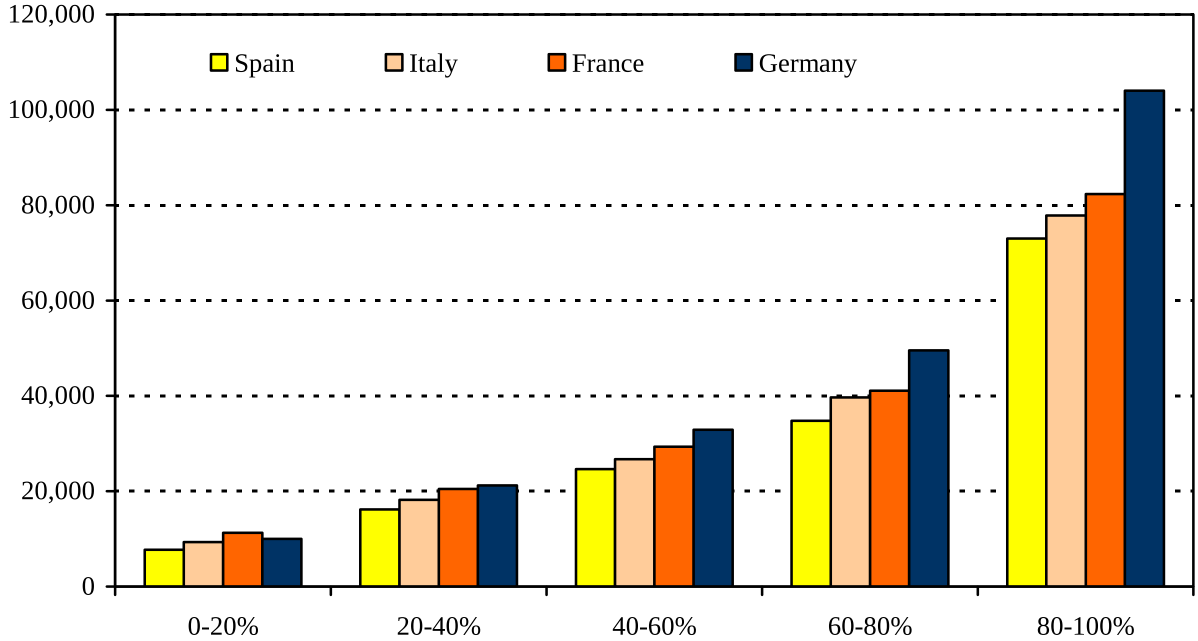
The mean household income of households in the bottom 20 per cent of the income distribution was €9,330 in Italy, but lower in Spain, where it was €7,715, and higher in France and Germany, where it was respectively €11,264 and €10,035 (Figure 2).

The ranking of mean household incomes in the four euro-area countries with the largest populations remains stable across the entire distribution. The gap between German households and those of the other countries widens, however, as the households become better off.

Figure 2

Distribution of gross annual household income

(euros)



The distribution of income shows the usual asymmetry in all the countries surveyed, with a concentration of medium-low incomes and a frequency that progressively declines as the income level rises. As can be seen by comparing the means and the medians, the degree of asymmetry is more pronounced in Belgium, Portugal and Austria than in Italy (Table 8). When equivalent incomes are considered, the countries where the mean exceeds the median most significantly are again Portugal and Austria, whereas in Italy the ratio of the mean to the median falls from 1.31 to 1.18.

The Gini concentration index for household incomes, which measures the degree of inequality of the distribution, was equal to 0.42 for the euro area.[12] This statistic remains basically unchanged when the cost of living in the various countries surveyed is taken into account. The Gini concentration index for Italy was equal to 0.40, roughly midway between the values for the other countries surveyed. Analogously, the other large euro-area countries had values close to the centre of the distribution; higher values were found for Belgium, Portugal, Luxembourg and Cyprus, while lower values were found for Slovakia, Finland and the Netherlands (Figure 3).

Calculated on equivalent incomes, the Gini index was always slightly lower than that for household incomes and was equal to 0.40 for the euro area, which decreases slightly when incomes are adjusted for the differences in purchasing power. Italy had a score of 0.36 and remained in a central position with respect to the other countries.

The estimates of equivalent income concentration based on this survey show a low correlation to the corresponding EU-SILC estimates (about 0.3), which, however, refer to net disposable incomes. The degree of correlation is affected by the differences between the tax systems in the various countries (Table 9).

By definition the estimates of the level of relative poverty were influenced by the reference community and the indicator used. Considering equivalent income and using a single threshold for the entire euro area, as if it were a single entity,[13] Some 15.9 per cent of individuals were living in relative poverty (defined as those living in households with an equivalent income of less than half the median value).

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12 The index ranges from 0 to 1, where 0 corresponds to the perfect equality of all the incomes and 1 to the case in which all the income is earned by a single household.

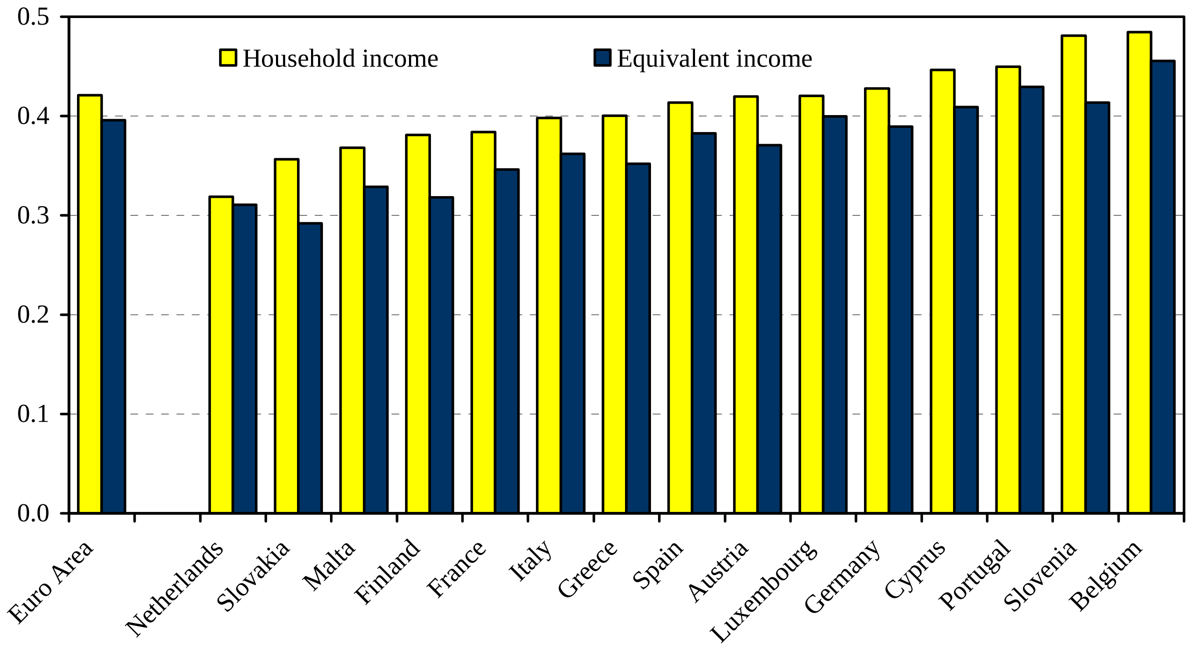
13 Whether it is better to use a single threshold or national thresholds is an open question. See Andrea Brandolini, "Measurement of income distribution in supranational entities: the case of the European Union", Bank of Italy Working Papers, No. 623, 2007.

According to this definition, poverty was mainly to be found in the countries of Southern and Eastern Europe, with peaks in excess of 50 per cent of the population in Portugal and Slovakia. In Italy 19.8 per cent of individuals were found to be poor (Table 10). The ranking of the countries surveyed remains basically unchanged when account is taken of the different purchasing power of incomes in each country, although the proportion of poor individuals in the poorest countries is much smaller. For example, in Slovakia relatively poor individuals fall from about 80 per cent of the population to about 43 per cent.

Figure 3

Concentration of gross household income

(Gini index)



When national thresholds are adopted, the picture changes: the proportion of poor individuals in the euro area is much smaller (13.0 per cent). Under this definition, the figure for Italy, 16.5 per cent, was higher than those of the other large euro-area countries, where it was 8.9 per cent for France and 13.4 per cent for Germany, but lower than that for Belgium, where it was 17.0 per cent. The proportion of poor individuals was lowest in Slovakia (8.3 per cent) and France (8.9 per cent).

4. Net wealth

Household net wealth, calculated as the sum of real and financial assets, net of financial liabilities,[14] amounted to about €230,000 on average in the euro area. Among the countries with a sizable population, household net worth was highest in Belgium, where it was about €340,000, and lowest Greece and Portugal, where it was about €150,000 (Table 11 and Figure 4). Among the countries with a small population (Cyprus, Luxembourg, Malta and Slovenia), which account for about 1 per cent of the total population of the euro area, the data showed greater variability. The mean values of Luxembourg and Slovenia were at the upper and lower limits of the range, with €700,000 and €150,000 respectively. Cyprus and Malta also had high values, but this is not fully confirmed by other sources; moreover, their ratios of wealth to income appear very high, possibly owing to the over-estimation of wealth, and suggest that these data need to be used with caution (Table 12); it is possible that the results were affected by the small sample size and the pronounced variability of wealth, which tend to make estimates less accurate.

Comparison of the results for per capita wealth based on the survey with the corresponding national accounts figures (for the countries for which they are available) shows that the estimates of real wealth are

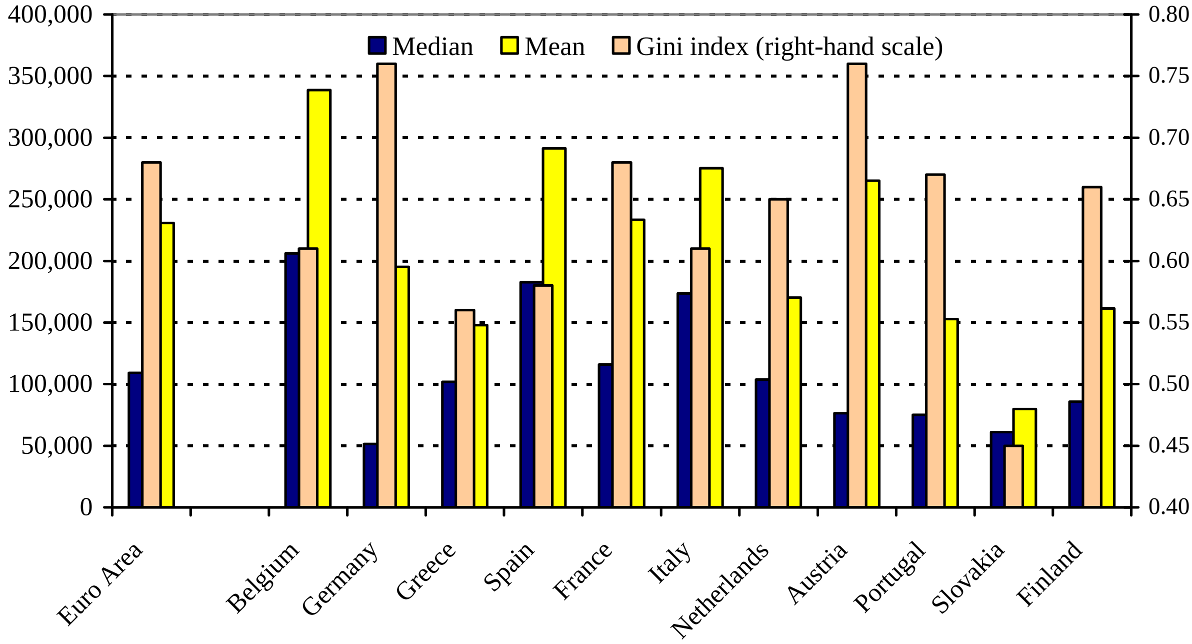
[14] As for income, the data on wealth and its components reported in this section differ in some respects from those published in "Survey of household income and wealth 2010". For example, vehicles are considered here as a component of real wealth, while in the survey referred to above they are classified among durable goods. In addition, here financial wealth is taken to include voluntary supplementary pensions and life insurance policies.

close for every country, while there is a greater degree of under-estimation for the financial component and, to a lesser extent, for debt (Table 12). The disparate under-reporting of assets must be taken into account in international comparisons, since it could have a different impact on the estimates of wealth in the various countries. In particular, in Germany, where households' ownership of the main residence is less common and a larger share of household wealth is held in the form of financial assets, the effect of under-reporting on wealth is greater than in other countries where ownership of the main residence is more widespread, such as Spain and Italy.

Figure 4

Household net wealth

(euros, Gini index)



The differences in household wealth are due to a number of factors and, in particular, to the differences in household size across the countries surveyed, the proportion of households owning their main residence, the mean size of homes, the movements in the prices of the various components,[15] and the tendency to under-report. Other differences are related to those in tax and welfare systems, which may have influenced the process whereby households accumulate wealth.

The figures for per capita wealth show smaller differences across the countries surveyed. On passing from household to per capita data, there is a greater reduction in the figures for Italy, Greece and Spain, countries with larger households, than in those for Germany and Austria, where households are smaller on average (Table 11).

The differences in the distribution of the forms of tenure of households' main residence reflect a variety of institutional factors, such as the development of policies for the supply of public housing or for the support of debt taken on for house purchase, the banking system's supply policies for the granting of mortgages and others of a cultural nature, such as the use of the main residence for inheritance purposes.[16] A greater frequency of main residence ownership was not necessarily associated with countries having a higher level of household wealth: ownership of the households' main residence is less common in Germany, Austria and France; it is more common in Slovakia, Spain, Greece and Portugal (Figure 5).[17]

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[15] Account must also be taken of the fact that the data were collected in the various countries in different periods, between 2008 and 2011, so that the economic cycle may have affected the figures for wealth unequally.

[16] See, also for the aspects regarding international comparison, M. Stephens, "Globalisation and Housing Finance Systems in Advanced and Transition Economies", *Urban Studies*, vol. 40, pp. 1011–1026, 2003.

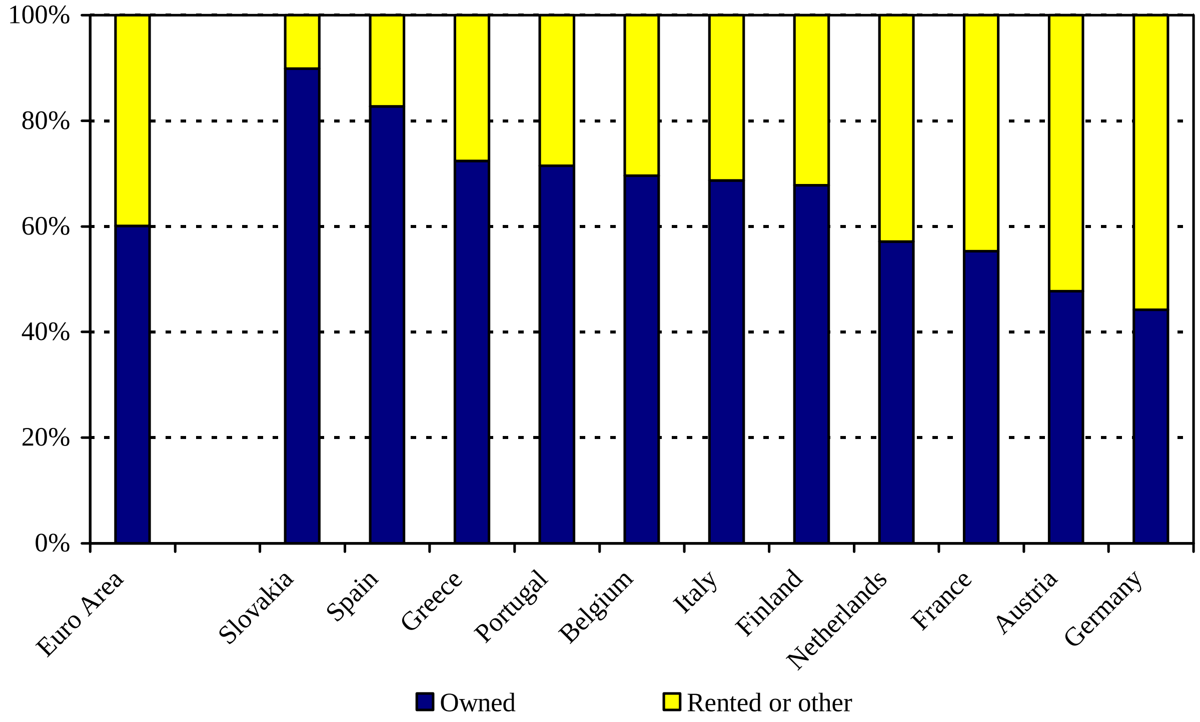
[17] These results are basically in line with those obtained on the basis of the EU-SILC 2010 survey.

The mean net wealth of homeowners who do not have a mortgage (about 41 per cent of the total, with about 69 per cent of total household wealth) was €391,300; for homeowners with a mortgage (about 19 per cent of the total, with about 22 per cent of total household wealth) the figure falls to €266,600; for persons who rent their homes (about 40 per cent of the total, with about 9 per cent of total household wealth) mean net wealth drops to €49,500.

Figure 5

Form of tenure of household main residence

(per cent)



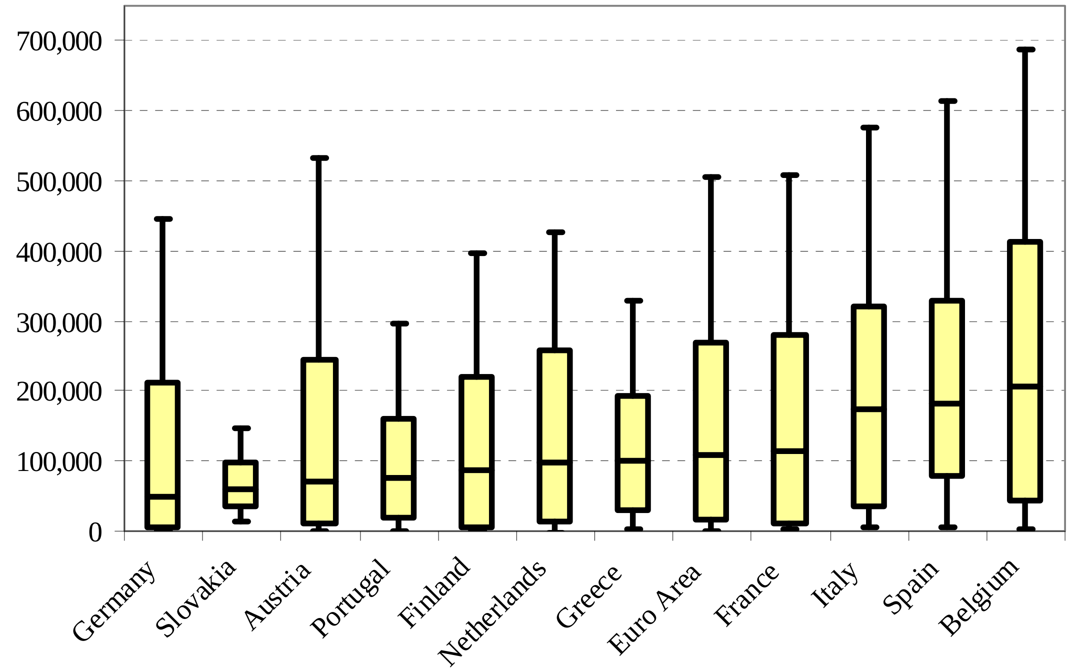
The distribution of household wealth was marked by a greater degree of asymmetry than that of household income, both on a household basis (Figure 6) and on a per capita basis (Figure 7).

In all the countries surveyed mean household net wealth (equal to €230,800 for the euro area and to €275,200 for Italy) was much higher than the median value, pointing to a greater degree of concentration than found for income (Figure 4 and Table 11).[18] Half the households in the euro area own 6 per cent of the total wealth; the richest decile owns about 50 per cent. The degree of concentration for Italian households was slightly less than the euro-area mean: the 50 per cent of less wealthy households owns about 10 per cent of the country's total household net wealth and the richest decile owns about 45 per cent.

18 International comparison shows that in some cases there are wider gaps between countries for the median than the mean values of net wealth. This reflects the discontinuity associated with households' ownership of their primary dwelling. In the countries where such ownership was less common (Austria and Germany), the median household did not own its main residence.

Figure 6

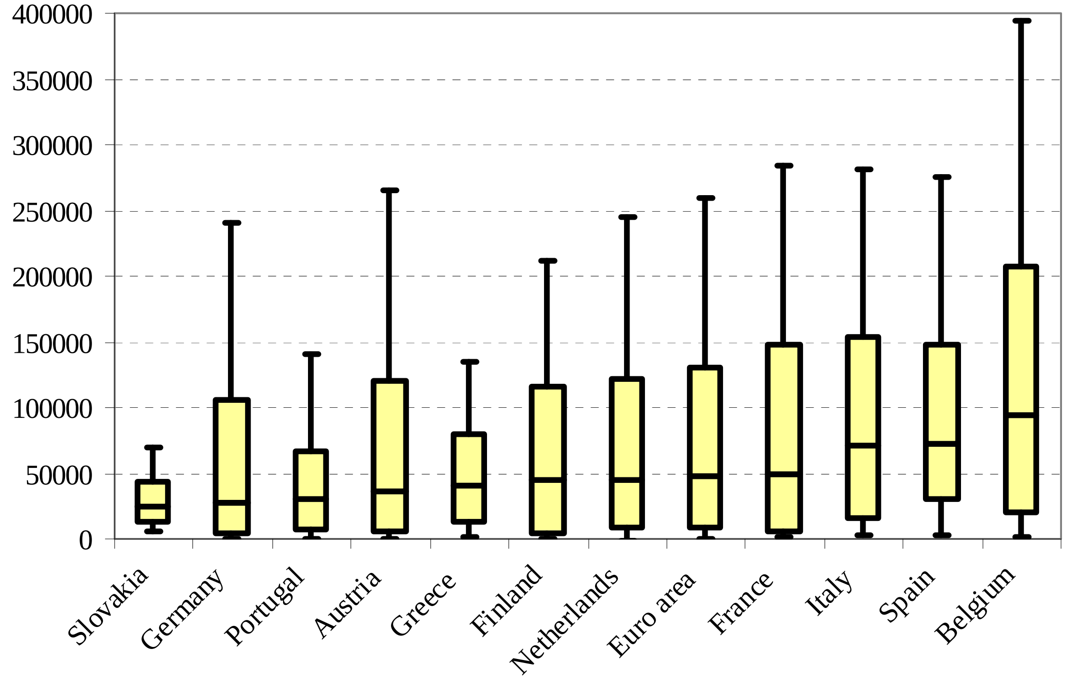
Distribution of household net wealth
(euros) (*)



(*)(*) The figure shows, for each country, the distribution of household wealth: the median value (the horizontal bar); the distance between the 25th and the 75th percentiles (the yellow vertical bar) and that between the 10th and the 90th percentiles (the horizontal bars at the limits of the black vertical bars).

Figure 7

Distribution of per capita net wealth
(euros)(*)



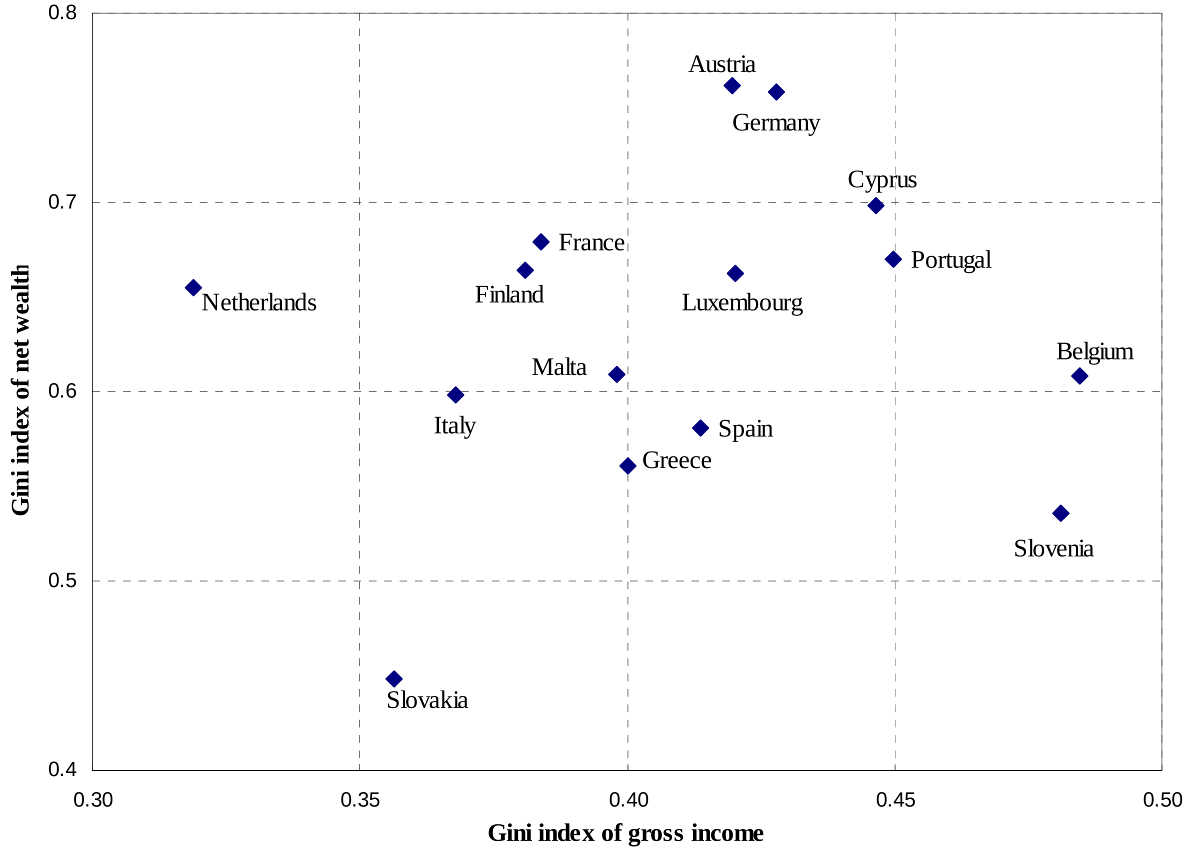
(*) The figure shows, for each country, the distribution of per capita wealth: the median value (the horizontal bar); the distance between the 25th and the 75th percentiles (the yellow vertical bar) and that between the 10th and the 90th percentiles (the horizontal bars at the limits of the black vertical bars).

The countries where the highest concentrations of wealth were found, using both the ratio of the mean to the median and the Gini index, were Germany and Austria, while the lowest values were found for Greece and Spain. In the international context the degree of concentration in Italy was moderate (Table 11). When these results are compared with those obtained by Davies et al. (2010), the rankings by concentration for the countries covered by both sources, i.e. Germany, Spain, France, Italy and the Netherlands, are found to be very similar, with Germany and France having the highest levels of concentration (although in the opposite order) and Spain and Italy the lowest.[19]

The ranking of countries by concentration level changes when income is considered instead of wealth. Belgium, for example, had a level of concentration that was high on the basis of income and low for wealth. By contrast, Austria and Germany had the highest levels of concentration on the basis of wealth and lower values for income. Italy was found to have relatively low levels of concentration for both wealth and income, while in both cases Slovakia's values were low (Figure 8).

Figure 8

Gini index of gross income and net wealth



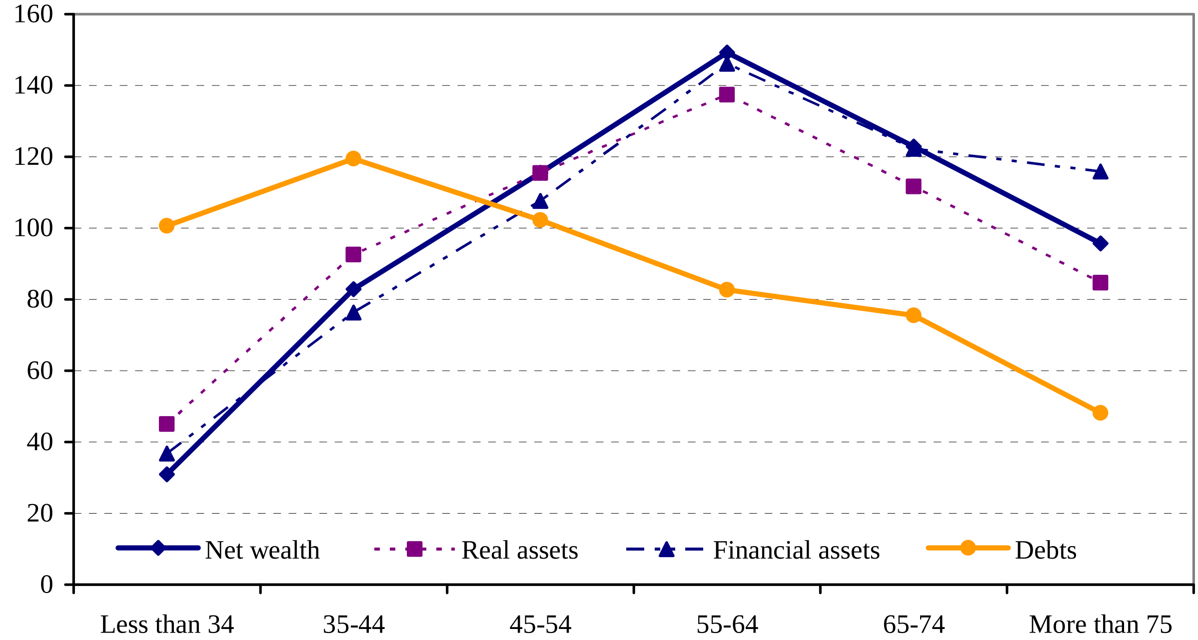
The mean value of net wealth was lowest for households whose heads were less than 35 years old, which owned only 5 per cent of the total. The proportion rose with age, to a peak of about one and a half times the mean, for households whose heads were between 55 and 64 years old, after which it declined. The patterns for real and financial assets were similar to that for net wealth, with a slightly larger amount of real assets among the younger cohorts and of financial assets for the oldest cohort. Debt showed a different pattern, with the index peaking for households whose heads were between 35 and 44 years old and then steadily declining (Figure 9).

[19] These results were obtained by these authors using a variety of sources, drawing on sample surveys and national accounts data. For more information, see J.B. Davies, S. Sandstrom, A. Shorrocks and E.N. Wolff, "The level and distribution of global household wealth", *The Economic Journal*, vol. 121, pp. 223–254, 2010.

Figure 9

Household net wealth and its components by age of the reference person

(indices: 100 = mean of the whole sample)



5. Real assets

For all the countries surveyed households' main residence was the main component of their real wealth.[20] In fact, on average in the euro area, main residences accounted for 61 per cent of real wealth, while other assets – other buildings, family businesses, transport equipment and valuables – accounted for respectively 23, 11, 3 and 2 per cent. Similar figures were found for Italy, where the shares of other buildings and business assets were slightly smaller (respectively 18 and 9 per cent), owing to main residences accounting for an above-mean share of 67.6 per cent (Table 13 and Figure 10).

On average about 60 per cent of households owned their main residence in the euro area; in Italy the figure was 68.7 per cent, while Germany and Austria had much smaller proportions of respectively 44.2 and 47.7 per cent (Table 14). Vehicles were the most frequently owned real asset in the euro area (75.7 per cent of households), followed by main residences and valuables (44.4 per cent).

For owner-occupier households, the mean value of the main residence was €221,000 in the euro area, which was slightly lower than the figure for Italy (€254,000). Portugal and Greece had lower values (Table 15). The number of years of household income needed to buy the household's main residence varied significantly from country to country. It was lowest in Germany and relatively high in Italy and Spain. When the number of years of household income needed to buy a dwelling of 100 m^2 is considered, the disparities due to the cross-country differences in the mean size of dwellings are eliminated (Figure 11).

Some 23 per cent of euro-area households owned buildings other than their main residences; at national level the figure ranged from 38 per cent in Greece to 6 per cent in the Netherlands; in Italy it was equal to 25 per cent (Table 14).

[20] Real wealth is defined here as the sum of the value of households' main residence, other buildings and land, vehicles, valuables and family businesses. In the survey on Italian household income and wealth vehicles are classified under durable goods. In France data were not collected on transport equipment.

Figure 10

Composition of real wealth in the main euro-area countries
(per cent)

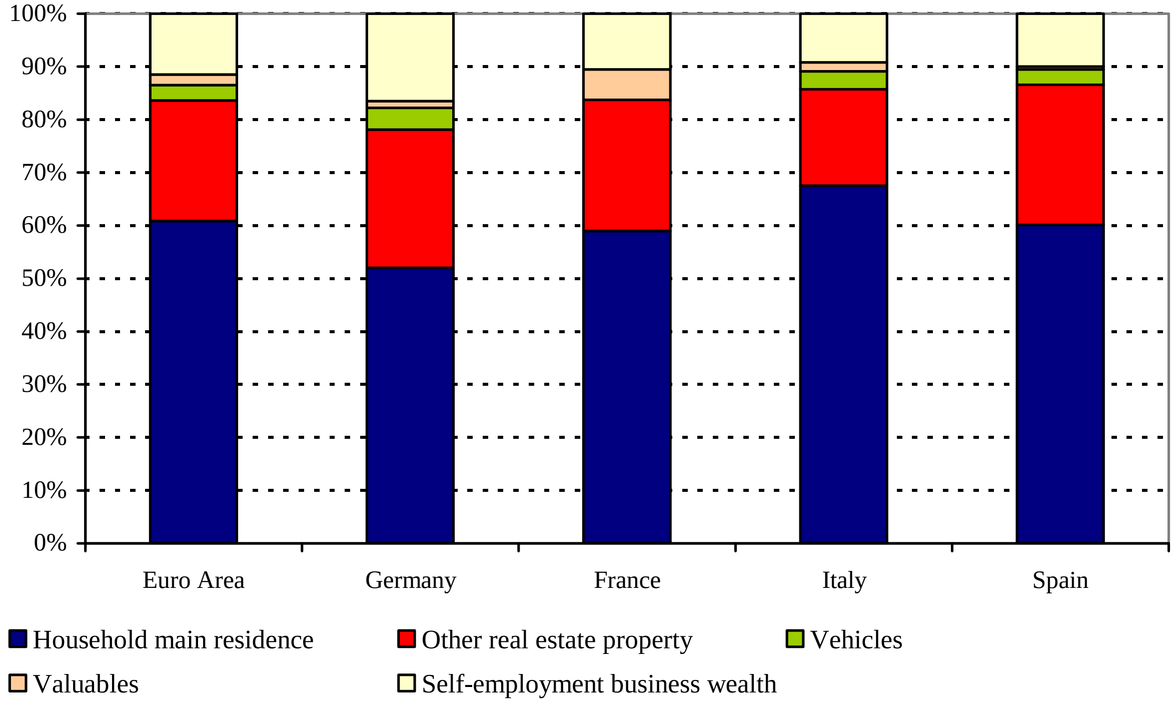
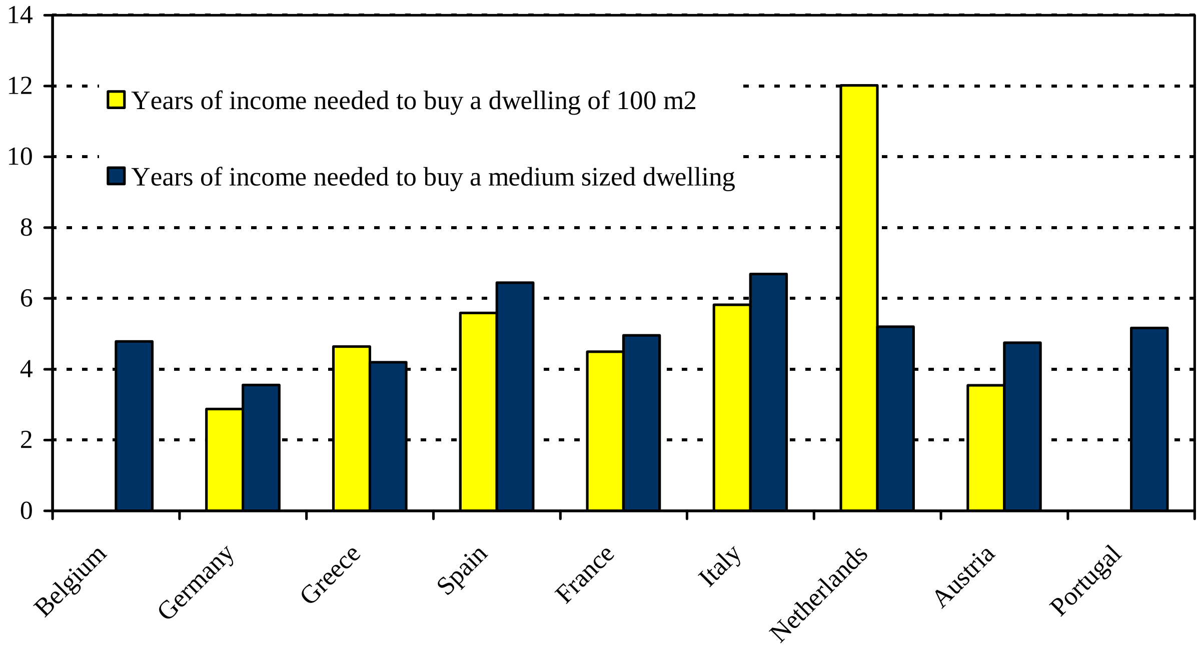


Figure 11

Years of income needed to buy the household main residence(*)



(*) Ratio of the mean value of a dwelling to household mean annual income. The figure refers only to households that own their main residences. The data for dwellings of fixed size (100 m^2) were available only for the countries that provided information on the size of households' main residences.

About 11 per cent of euro-area households owned family businesses and the median value of this type of wealth was €30,000. Italy, with its large number of small firms, had a larger proportion of households owning family businesses (18 per cent), but the median value was lower (€15,000).

Italian households' ownership of vehicles and their value were basically in line with the euro-area means. The proportion of Italian households owning valuables was higher than the euro-area mean, but their median value was lower (about €2,000).[21]

6. Financial assets

The financial assets most frequently owned by euro-area households were sight and savings deposits, followed by voluntary private pension funds and life insurance policies, owned respectively by 96.4 and 33.0 per cent of households (Table 16 and Figure 12).

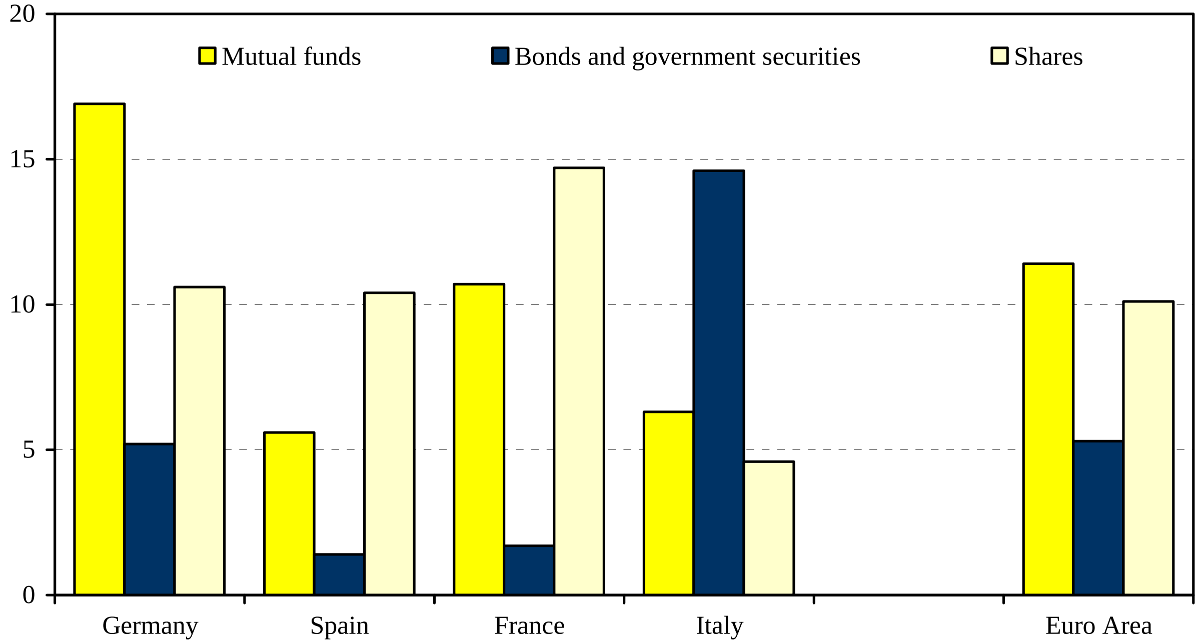
Listed shares and mutual funds were owned by about one tenth of households, while bonds and government securities were owned by a smaller proportion (5.3 per cent); money owed to households and other financial assets, which include individually managed portfolios, were held by a proportion of households ranging from 7.6 to 6.0 per cent on average.

The figures for the participation of Italian households in the financial markets were lower than those for the euro area for nearly every instrument, except for bonds and government securities, which were owned by nearly 15 per cent of households, compared with the euro-area mean of 5 per cent. In the other countries it is worth noting the high level of mutual funds in Germany and Belgium (6 percentage points above the mean), listed shares in France but above all in Finland (respectively 33 and 50 per cent higher than the mean), and voluntary pension funds and life insurance policies in the Netherlands (17 percentage points above the mean).

Figure 12

Possession of selected financial assets in the main euro-area countries

(per cent)



Ownership of the more sophisticated and risky instruments, which require high levels of financial education, such as listed shares and mutual funds, was concentrated in the higher quintiles of income and wealth. In the euro area households holding instruments of these types in the last quintile (of both income and wealth) were equal to 25 per cent of the total, compared with 10 per cent for all households. The figures for Italy were lower, but the concentration of ownership among the wealthier classes was just as pronounced: in the top quintiles of income and wealth about 13 per cent of households owned shares, compared with 4.6 per cent for all households; for mutual funds the corresponding figures were 18 per cent for the top quintile and 6.3 per cent for all households.

[21] It is possible that the gap in the ownership of valuables may be due to definitional differences that affect the collection of the data. In Italy the item includes objects of small value.

Considering the median values of the various financial instruments, the Italian figures were similar to those for the euro area for most instruments, but at €20,000 the figure for mutual funds was nearly twice the euro-area values.[22] Higher median values were found for bonds and mutual funds in Belgium, voluntary pensions and insurance policies in the Netherlands, while very low values were found for most financial instruments in Finland and Portugal.

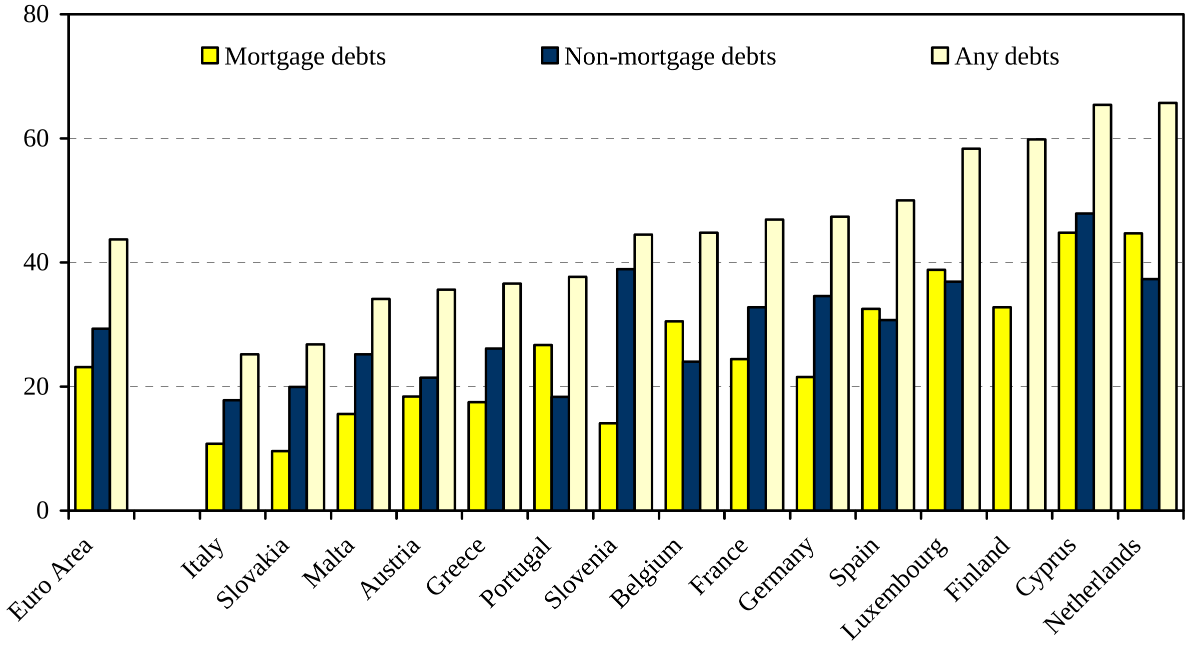
7. Debt

Some 43.7 per cent of euro-area households had debts (Table 17 and Figure 13).[23] Comparison between the 15 countries surveyed shows that participation in the debt market was rather uneven. Italy had the lowest score, 25.2 per cent. For the euro area as a whole the frequency of debt increased with income, the number of household members, and the level of education. The proportion of indebted households rose from 22.9 per cent for the poorest (bottom quintile incomes) to 61.3 per cent for the wealthiest (top quintile incomes); the pattern for Italy was similar but at a lower level (respectively 13.3 and 42.3 per cent). As in the income life cycle, and the consumption smoothing function of debt, both in Italy and in the euro area, the proportion of indebted households rises with the age of the household reference person up to 45, after which it falls progressively. By contrast, the analysis by quintiles of net wealth showed very small changes.

Figure 13

Proportion of indebted households

(per cent)



For the euro-area as a whole, the median value of total debt was €21,500 for indebted households, while mean debt was nearly three times as much at €61,000, owing to the highly asymmetric distribution pattern. Again just for indebted households, the median value was €89,100 in the Netherlands and only €15,000 in Italy. The changes in the median debt with household income, the age of the household reference person, the size of the household and the level of education reflected the profile of the distribution of debt.

22 The value refers exclusively to owners of mutual funds, which were equal to 6.3 per cent of the total in Italy, compared with 11.4 per cent for the euro-area as a whole.

23 Debts are first divided between those with and without real collateral (buildings and other assets). Those without real collateral comprise: 1) current account overdrafts; 2) credit card debts; 3) personal and professional debts, both to banks and to relations, friends and employers. These definitions differ slightly from those published in “Survey of household income and wealth 2010”.

About a quarter of euro-area households had a mortgage,[24] backed in most cases by the household's main residence (Table 17). Compared with the pattern found for total debt, there was a more pronounced relationship between the level of income and participation in the mortgage market. The proportion of mortgagors among the poorest households (with bottom quintile net worth) was very low (5.6 per cent); on the other hand the proportion of these households with other forms of debt was high (41.9 per cent). The proportion of households with a mortgage was more than 30 per cent for the wealthiest classes.

The percentage of mortgagors in Italy was the lowest of all the countries surveyed except Slovakia (respectively 11 and 10 per cent), despite the percentage of main residence owners being one of the highest (69 per cent). This result was influenced by the economic support given by families, which reduces the need to borrow and the high saving rate that characterized Italy, at least until the period preceding the crisis.[25]

The median value of mortgages for indebted households in the euro area was €68,400. There were large differences from country to country, reflecting disparities in income, taxation, and the development of the property and mortgage markets. An especially high median value was found for the Netherlands (€131,000).

In most countries the median value of mortgages on main residences was basically similar to that of mortgages backed by other buildings. In France and Italy, by contrast, the median value of mortgages backed by other buildings was only a little more than one third that of mortgages on main residences (respectively €22,400 and €25,000). In these two countries the mean values of mortgages backed by other buildings are much lower than the euro-area mean (€55,000 as against €95,000). In Italy the difference was due to the volume of low-value mortgages taken out for business-related reasons.

Some 29.3 per cent of euro-area households had a debt not backed by buildings. The percentage was higher than that for mortgagors and reflected the prevalence of households indebted for reasons other than credit cards and current account overdrafts (22.4 per cent of households).

International comparison shows that the frequency of such liabilities varied less across countries than that for debts with collateral. As for the other types of loan, Italian households were among the least indebted (17.8 per cent of households), while the figures for France, Germany, Spain and the Netherlands were in excess of 30 per cent. Many households had both kinds of debt (with and without collateral). In Italy the proportion of households with debt in the form of both a mortgage loan and consumer credit was very small, about one in ten indebted households.[26] The differences between countries as regards the use of credit card debt and current account overdrafts were due, instead, to different payment habits. In Italy only 1 per cent of households declared that they had credit card debt with repayment installments, whereas in the other euro-area countries the figure was much higher.

The median value of debt without collateral was equal to €5,000 (for households with this type of debt), mainly as a consequence of the higher values found for debts other than those related to credit cards and current account overdrafts, for which the median value was €6,100. The Netherlands had much higher median values (€13,700 for all debt without collateral and €26,400 for debts other than those related to credit cards and current account overdrafts), while Italy was in line with the euro-area median values.

Debt sustainability was assessed mainly by analyzing three indicators: i) the ratio of debt to assets; ii) the ratio of debt to income; iii) the ratio of debt service to income.[27]

The ratio of debt to assets reveals the proportion of wealth that is absorbed by households' liabilities. For the euro area as a whole, the median value of the ratio was 22 per cent (Table 18); there were nonetheless large differences between the various types of household. In particular, for households with relatively little wealth, their debt was found to exceed their assets. The degree of sustainability improves with the age of the household reference person, in line with the dynamics of net wealth and debt.

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[24] The term mortgage is taken to mean any loan backed by real collateral.

[25] See L. Bartiloro and C. Rampazzi, "Italian households' saving and wealth during the crisis", Bank of Italy, Occasional Papers, No. 148, 2013.

[26] For a more detailed analysis, see di S. Magri and R. Pico, "Italian household debt after the 2008 crisis", Bank of Italy, Occasional Papers, No. 134, 2012.

[27] All the indicators were calculated subject to possession of the type of debt. In addition, the income used as the denominator was gross of taxes and net of imputed rents.

The ratio of debt to assets of the median Italian household was about 10 percentage points less than that of the euro area; the Netherlands recorded a particularly high value of the ratio (41.3 per cent).

The ratio of debt to income is an indicator of the possible need in the long term to realize assets if the flow of income is not sufficient to pay off the household's debt. The euro-area median value of the ratio was 62 per cent. The ratio was particularly high for the owners of a mortgaged dwelling (174.9 per cent) and for the households in the third quintile of net wealth (131 per cent). The dispersion of the ratio across the euro-area countries was influenced by the different degrees of participation in the mortgage market.

The debt service ratio is the proportion of gross income used to make the annual payments in relation to debts. The indicator thus provides a measure of households' ability to meet the most urgent commitments deriving from their financial debt. The ratio is a function not only of debt and income but also of the duration of the loan and the interest rate, variables that depend in part on each country's financial structure. The euro-area median value of the ratio was 13.9 per cent, but this hides large differences between the various categories of household. In particular, households in a rented dwelling had low levels of debt service, as did those with bottom quintile net worth, although in conjunction with a high ratio of debt to assets.

For Italy, at 13.2 per cent the median value of the debt service ratio was in line with that of the euro area. The dispersion of the ratio across the euro-area countries was much less than that for the ratio of debt to assets. Although households in the Netherlands were rather highly indebted as measured by the ratio of debt to total assets, their debt service ratio was in line with that of the euro area, whereas the ratios in Spain and Portugal were higher (respectively 19.9 and 17.3 per cent).

Households whose debt service ratio is greater than 40 per cent are more vulnerable to changes in interest rates and income. The analysis of this group of debtors by income class shows a high degree of heterogeneousness: the proportion of vulnerable households among those with a first quintile income was more than 30 per cent, while in the other income classes the proportion was much lower (less than 20 per cent). The households in the bottom income quintile also had a large proportion of debtors whose assets were less than their total debts (more than 30 per cent). In Italy this ratio was about 25 per cent and less than the figure for the euro area as a whole.

Statistical tables

Table 1

Characteristics of the sample and of the population

(numbers)

Country	Size of the sample	Number of households	Population size
Belgium	2,327	4,692,601	10,839,900
Germany	3,565	39,673,000	81,086,000
Greece	2,971	4,114,150	10,860,000
Spain	6,197	17,017,706	45,632,200
France	15,006	27,860,408	62,464,200
Italy	**7,951**	**23,817,962**	**60,309,900**
Cyprus	1,237	303,242	836,600
Luxembourg	950	186,440	462,600
Malta	843	143,677	410,000
Netherlands	1,301	7,386,144	16,366,300
Austria	2,380	3,773,956	8,021,900
Portugal	4,404	3,932,010	10,637,400
Slovenia	343	777,777	2,000,400
Slovakia	2,057	1,911,664	5,412,300
Finland	10,989	2,531,500	5,271,500
Euro Area	**62,521**	**138,122,237**	**320,611,200**

Table 2

Mean household size according to the age of the household reference person

(units)

Country	Up to 34 years	From 35 to 44 years	From 45 to 54 years	From 55 to 64 years	More than 64 years	Total
Belgium	2.3	3.1	2.7	2.0	1.6	2.3
Germany	1.9	2.7	2.4	1.9	1.6	2.0
Greece	2.2	3.2	3.3	2.7	2.0	2.6
Spain	2.8	3.1	3.2	2.7	1.9	2.7
France	2.2	3.2	2.8	1.9	1.5	2.2
Italy	**2.3**	**3.0**	**3.2**	**2.7**	**1.8**	**2.5**
Cyprus	2.4	3.1	3.7	2.8	1.8	2.8
Luxembourg	2.3	3.0	2.8	2.5	1.7	2.5
Malta	2.5	3.4	3.6	2.8	1.9	2.9
Netherlands	2.1	2.8	2.6	2.0	1.5	2.2
Austria	1.8	2.8	2.6	1.9	1.6	2.1
Portugal	2.8	3.4	3.2	2.6	1.9	2.7
Slovenia	2.7	3.6	3.0	2.1	1.7	2.6
Slovakia	2.7	3.8	3.3	2.4	1.9	2.8
Finland	2.1	3.0	2.5	1.8	1.5	2.1
Euro Area	**2.2**	**3.0**	**2.8**	**2.2**	**1.7**	**2.3**

Table 3

Household structure

(per cent)

Country	Single member	Couple without children	Couple with children	Other	Total
Belgium	33.8	27.8	28.0	10.4	100.0
Germany	39.6	30.6	21.8	8.0	100.0
Greece	20.1	23.2	40.5	16.2	100.0
Spain	18.4	22.5	44.2	14.9	100.0
France	35.3	28.0	27.1	9.6	100.0
Italy	**24.9**	**23.9**	**39.6**	**11.6**	**100.0**
Cyprus	20.8	27.5	40.7	11.0	100.0
Luxembourg	30.0	23.4	35.5	11.1	100.0
Malta	18.8	20.3	49.3	11.6	100.0
Netherlands	35.8	27.8	23.5	12.9	100.0
Austria	38.7	29.6	21.9	9.8	100.0
Portugal	17.7	25.2	44.6	12.5	100.0
Slovenia	27.0	19.1	38.4	15.5	100.0
Slovakia	23.1	19.0	39.6	18.3	100.0
Finland	39.6	30.7	20.7	9.0	100.0
Euro Area	**31.6**	**27.0**	**30.6**	**10.8**	**100.0**

Table 4

Mean number of income recipients according to the age of the household reference person

(units, per cent)

Country	Up to 34 years	From 35 to 44 years	From 45 to 54 years	From 55 to 64 years	More than 64 years	Total	Income recipients/ Number of components
Belgium	1.5	1.6	1.7	1.6	1.3	1.5	65.2
Germany	1.2	1.5	1.7	1.6	1.5	1.5	75.0
Greece	1.3	1.6	1.9	1.9	1.6	1.6	61.5
Spain	1.7	1.7	1.9	1.8	1.2	1.6	59.3
France	1.4	1.5	1.7	1.5	1.4	1.5	68.2
Italy	**1.4**	**1.5**	**1.7**	**1.8**	**1.5**	**1.6**	**64.0**
Cyprus	1.6	1.6	1.9	1.8	1.5	1.7	60.7
Luxembourg	1.5	1.5	1.6	1.8	1.5	1.6	64.0
Malta	1.8	1.5	2.1	1.9	1.4	1.7	58.6
Netherlands	1.3	1.3	1.3	1.4	1.4	1.3	59.1
Austria	1.4	1.7	1.9	1.6	1.4	1.6	76.2
Portugal	1.7	1.7	1.9	1.9	1.6	1.8	66.7
Slovenia	1.5	2.0	1.9	1.8	1.4	1.7	65.4
Slovakia	1.8	2.1	2.3	2.1	1.8	2.0	71.4
Finland	1.5	1.7	1.9	1.7	1.5	1.6	76.2
Euro Area	**1.4**	**1.6**	**1.7**	**1.7**	**1.4**	**1.5**	**65.2**

Table 5

Household distribution by household reference person's age and gender

(per cent)

Country	Up to 34 years	From 35 to 44 years	From 45 to 54 years	From 55 to 64 years	More than 64 years	Male	Female	Total
Belgium	17.1	19.6	20.0	16.8	26.4	63.3	36.7	100.0
Germany	18.0	18.1	20.3	14.9	28.8	66.1	33.9	100.0
Greece	15.2	20.7	17.7	18.6	27.9	69.0	31.0	100.0
Spain	14.9	22.5	20.8	16.0	25.9	72.9	27.1	100.0
France	19.4	19.1	16.9	18.4	26.2	59.6	40.4	100.0
Italy	**8.6**	**20.4**	**21.1**	**17.5**	**32.4**	**67.1**	**32.9**	**100.0**
Cyprus	18.1	18.2	23.8	16.6	23.3	58.5	41.5	100.0
Luxembourg	16.9	22.6	22.7	15.8	22.0	68.6	31.4	100.0
Malta	8.7	22.5	21.5	21.9	25.4	75.2	24.8	100.0
Netherlands	13.8	21.0	21.9	20.8	22.4	59.6	40.4	100.0
Austria	17.3	18.4	20.6	19.4	24.3	61.6	38.4	100.0
Portugal	11.6	21.2	19.5	18.4	29.4	64.6	35.4	100.0
Slovenia	13.0	16.7	27.5	19.3	23.5	57.5	42.5	100.0
Slovakia	16.1	19.7	24.7	19.1	20.5	62.6	37.4	100.0
Finland	22.2	15.6	18.8	19.2	24.3	57.3	42.7	100.0
Euro Area	**15.8**	**19.6**	**19.9**	**17.1**	**27.7**	**65.0**	**34.9**	**100.0**

Table 6

Distribution of household reference persons and members by work status

(per cent)

Country	Household reference persons			Household members			
	Employee	Self-employed	Not employed	Employee	Self-employed	Not employed	Total
Belgium	46.8	5.1	48.1	36.1	3.8	60.1	100.0
Germany	51.3	7.4	41.3	40.6	5.6	53.7	100.0
Greece	39.7	18.9	41.3	27.4	12.4	60.3	100.0
Spain	47.2	10.7	42.0	35.2	6.5	58.3	100.0
France	47.3	7.2	45.4	34.5	5.0	60.6	100.0
Italy	**44.3**	**13.1**	**42.6**	**30.2**	**7.5**	**62.3**	**100.0**
Cyprus	56.9	11.0	32.1	39.1	6.8	54.1	100.0
Luxembourg	59.0	5.8	35.2	39.8	3.9	56.3	100.0
Malta	46.6	11.7	41.8	34.3	5.5	60.1	100.0
Netherlands	53.7	4.2	42.1	39.9	3.5	56.6	100.0
Austria	47.9	9.4	42.7	39.3	7.3	53.4	100.0
Portugal	46.0	10.1	43.9	34.1	6.8	59.1	100.0
Slovenia	46.3	6.6	47.0	36.9	4.1	59.1	100.0
Slovakia	58.0	10.6	31.4	42.9	5.2	52.0	100.0
Finland	49.3	6.4	44.3	35.4	5.6	58.9	100.0
Euro Area	**47.9**	**9.0**	**43.1**	**35.7**	**6.1**	**58.2**	**100.0**

Table 7

Household distribution by household reference person's educational qualification

(per cent)

Country	Primary school certificate	Lower secondary school certificate	Upper secondary school diploma	Degree or postgraduate diploma	Total
Belgium	9.1	16.3	36.1	38.5	100.0
Germany	1.8	10.9	56.1	31.2	100.0
Greece	34.8	10.9	33.4	20.8	100.0
Spain	34.3	19.7	19.7	26.3	100.0
France	31.6	6.2	38.6	23.6	100.0
Italy	**24.7**	**28.5**	**35.0**	**11.7**	**100.0**
Cyprus	18.7	8.0	32.8	40.5	100.0
Luxembourg	25.0	10.6	38.2	26.3	100.0
Malta	24.2	39.4	21.1	15.3	100.0
Netherlands	3.2	24.7	38.8	33.3	100.0
Austria	0.4	15.2	70.5	14.0	100.0
Portugal	61.1	14.7	13.4	10.8	100.0
Slovenia	4.1	17.1	57.1	21.7	100.0
Slovakia	0.2	5.7	78.4	15.6	100.0
Finland	1.3	26.4	41.0	31.4	100.0
Euro Area	**18.8**	**15.5**	**41.3**	**24.4**	**100.0**

Table 8

Gross annual household income and equivalent income

(thousands of euros)

Country	Household income			Equivalent income			Household income PPP(*)		Equivalent income PPP(*)	
	Mean (a)	Median (b)	Mean / median (a) / (b)	Mean (c)	Median (d)	Mean / median (c) / (d)	Mean	Median	Mean	Median
Belgium	49,536	33,600	1.47	30,994	24,000	1.29	45,047	30,480	27,876	21,535
Germany	43,531	32,500	1.34	29,629	23,180	1.28	41,560	31,250	28,230	22,037
Greece	27,661	22,014	1.26	16,085	13,365	1.20	30,731	24,120	17,715	14,703
Spain	31,329	24,800	1.26	17,721	14,000	1.27	33,865	26,756	19,114	15,059
France	36,918	29,214	1.26	23,737	19,329	1.23	32,550	25,756	20,928	17,041
Italy	**34,344**	**26,260**	**1.31**	**20,026**	**16,917**	**1.18**	**33,035**	**25,260**	**19,255**	**16,236**
Cyprus	43,255	32,400	1.34	24,209	18,435	1.31	48,547	36,364	27,171	20,691
Luxembourg	83,657	65,000	1.29	49,742	38,280	1.30	70,142	54,179	41,591	31,952
Malta	26,443	21,641	1.22	14,254	12,240	1.16	36,131	29,571	19,476	16,725
Netherlands	45,792	40,484	1.13	28,675	25,879	1.11	42,072	37,177	26,312	23,707
Austria	43,929	32,245	1.36	29,012	22,799	1.27	39,765	29,265	26,238	20,605
Portugal	20,310	14,650	1.39	11,354	8,230	1.38	24,701	17,763	13,763	9,953
Slovenia	22,334	18,150	1.23	13,539	11,802	1.15	28,241	23,003	16,598	14,508
Slovakia	13,467	11,200	1.20	7,234	6,400	1.13	19,957	16,571	10,716	9,469
Finland	45,141	36,257	1.25	30,986	27,184	1.14	37,857	30,401	25,984	22,793
Euro Area	**37,843**	**28,600**	**1.32**	**23,437**	**18,444**	**1.27**	**36,227**	**27,586**	**22,431**	**17,679**

(*) To establish a single price level, the euro-area Harmonized Index of Consumer Prices (HICP) was used (in each year the mean is equal to 1 for the entire area). The household income and equivalent income means differ slightly from the corresponding statistics adjusted for the different price levels mainly owing to the different reference periods for income in the individual surveys.

Table 9

Comparison of the income estimates with external sources

(euros, per cent)[(*)]

Country	Mean per capita income – HFCS (A)	Mean per capita income – National accounts (B)	Mean per capita income – EU-SILC (C)	A/B	A/C	Gini index – HFCS (D)	Gini index – EU-SILC (E)
Belgium	21,444	20,239	19,173	106.0	111.8	0.46	0.26
Germany	21,298	20,910	20,502	101.9	103.9	0.39	0.29
Greece	10,478	15,932	11,945	65.8	87.7	0.35	0.33
Spain	11,683	15,712	11,294	74.4	103.4	0.38	0.31
France	16,466	21,316	19,885	77.2	82.8	0.35	0.3
Italy	**13,563**	**17,838**	**16,536**	**76.0**	**82.0**	**0.36**	**0.31**
Cyprus	15,679	15,820	14,206	99.1	110.4	0.41	0.29
Luxembourg	33,715	32,233	31,672	104.6	106.5	0.40	0.29
Malta	9,267	12,142	9,071	76.3	102.2	0.33	0.28
Netherlands	20,666	17,122	23,586	120.7	87.6	0.31	0.27
Austria	20,667	22,655	21,967	91.2	94.1	0.37	0.26
Portugal	7,507	11,916	8,536	63.0	87.9	0.43	0.35
Slovenia	8,684	11,668	10,788	74.4	80.5	0.41	0.23
Slovakia	4,757	7,784	4,920	61.1	96.7	0.29	0.26
Finland	21,678	20,217	21,371	107.2	101.4	0.32	0.26

(*) The source of the national accounts mean per capita incomes is Eurostat, while that of the Gini indices is the EU-SILC survey. It should be noted that the per capita means and the Gini concentration indices have been constructed with reference to disposable incomes.

Table 10

Individuals in a state of relative poverty

(per cent)

Country	Single poverty threshold for the euro area	Single poverty threshold for the euro area and incomes adjusted for PPP	National poverty thresholds
Belgium	11.1	12.4	17.9
Germany	7.7	8.1	13.4
Greece	26.7	19.9	12.7
Spain	23.7	18.9	12.2
France	7.5	10.0	8.9
Italy	**19.8**	**20.0**	**16.5**
Cyprus	14.2	11.5	14.2
Luxembourg	3.4	4.5	14.0
Malta	30.4	14.5	12.6
Netherlands	7.9	8.1	14.1
Austria	6.2	7.2	10.8
Portugal	57.4	43.1	15.1
Slovenia	34.5	24.9	18.3
Slovakia	80.7	43.3	8.3
Finland	2.1	3.6	10.5
Euro Area	**15.9**	**14.6**	**13.0**

Table 11

Net wealth and its concentration

(euros, per cent)

Country	Mean	Median	Mean / Median	Gini index	Per capita net wealth	Per capita net wealth adjusted for PPP
Belgium	338,600	206,200	1.64	0.61	146,600	132,000
Germany	195,200	51,400	3.80	0.76	95,500	92,307
Greece	147,800	101,900	1.45	0.56	56,000	58,064
Spain	291,400	182,700	1.59	0.58	108,700	112,000
France	233,400	115,800	2.02	0.68	104,100	94,289
Italy	**275,200**	**173,500**	**1.59**	**0.61**	**108,700**	**106,000**
Cyprus	670,900	266,900	2.51	0.70	243,200	274,977
Luxembourg	710,100	397,800	1.79	0.66	286,200	234,000
Malta	366,000	215,900	1.70	0.60	128,300	165,000
Netherlands	170,200	103,600	1.64	0.65	76,800	69,344
Austria	265,000	76,400	3.47	0.76	124,700	107,000
Portugal	152,900	75,200	2.03	0.67	56,500	64,671
Slovenia	148,700	100,700	1.48	0.54	57,800	65,617
Slovakia	79,700	61,200	1.30	0.45	28,200	39,234
Finland	161,500	85,800	1.88	0.66	77,600	63,067
Euro Area	**230,800**	**109,200**	**2.12**	**0.68**	**99,400**	**95,573**

Table 12

Indicators of the quality of the estimates of wealth

(per cent)

Country	Ratio of the HFCS and national accounts values of per capita net wealth(*)					Ratio of net wealth to income	
	Real assets	Financial assets	Financial assets (**)	Liabilities	Net wealth	HFCS	OECD
Belgium	121	58	71	76	94	6.84	-
Germany	85	42	49	71	70	4.48	6.25
Greece	-	18	19	41	-	5.34	-
Spain	84	37	41	61	76	9.30	-
France	83	39	45	67	68	6.32	8.15
Italy	**105**	**20**	**32**	**40**	**77**	**8.01**	**8.71**
Cyprus	-	45	34	96	-	15.51	-
Luxembourg	-	39	36	90	-	8.49	-
Malta	-	53	52	46	-	13.84	-
Netherlands	87	32	47	84	53	3.72	-
Austria	108	38	55	41	88	6.03	-
Portugal	-	22	41	42	-	7.53	-
Slovenia	109	21	27	38	92	6.66	-
Slovakia	83	35	42	38	78	5.92	-
Finland	101	37	53	88	78	3.58	-

(*) Sources: Eurostat, European Central Bank (HFCS Methodological Report, 2013)

(**) The statistics refer exclusively to the components of financial wealth are comparable between the two sources.

Table 13

Breakdown of households' real wealth

(per cent)

Country	Main residence	Other real estate property	Vehicles	Valuables	Self-employment businesses wealth
Belgium	72.7	16.8	3.3	1.1	6.1
Germany	52.0	26.1	4.1	1.3	16.5
Greece	60.1	29.8	4.6	0.3	5.1
Spain	60.1	26.4	2.9	0.5	10.0
France	59.0	24.7	-	5.8	10.5
Italy	**67.6**	**18.2**	**3.4**	**1.7**	**9.2**
Cyprus	35.7	38.7	1.9	0.3	23.3
Luxembourg	58.4	34.0	3.0	1.3	3.3
Malta	51.0	19.3	2.8	0.9	25.9
Netherlands	83.4	8.8	4.0	0.8	3.0
Austria	53.5	13.0	4.2	1.3	27.5
Portugal	54.6	26.3	4.5	1.0	13.6
Slovenia	71.3	14.8	3.9	-	9.8
Slovakia	81.1	7.3	6.0	0.6	4.9
Finland	64.3	26.4	5.5	-	3.9
Euro Area	**60.8**	**22.7**	**2.9**	**2.0**	**11.5**

Table 14

Ownership of the components of real wealth

(per cent of households)

Country	Household main residence	Other real estate property	Vehicles	Valuables	Self-employment businesses wealth
Belgium	69.6	16.4	77.2	15.4	6.6
Germany	44.2	17.8	70.9	13.2	9.1
Greece	72.4	37.9	73.0	3.4	9.8
Spain	82.7	36.2	77.3	17.2	14.2
France	55.3	24.7	-	100.0(*)	8.9
Italy	**68.7**	**24.9**	**83.3**	**85.6**	**18.0**
Cyprus	76.7	51.6	88.9	9.9	19.5
Luxembourg	67.1	28.2	86.7	23.8	5.2
Malta	77.7	31.4	84.9	19.1	11.5
Netherlands	57.1	6.1	81.3	15.5	4.8
Austria	47.7	13.4	74.9	23.6	9.4
Portugal	71.5	27.1	72.3	8.4	7.7
Slovenia	81.8	23.2	80.4	1.5	11.6
Slovakia	89.9	15.3	61.2	22.4	10.7
Finland	67.8	29.8	67.9	-	13.8
Euro Area	**60.1**	**23.1**	**75.7**	**44.4**	**11.1**

(*) In France the data on the possession of vehicles and valuables were collected together. This item includes both types of assets.

Table 15

Mean values of main residence

(euros, m^2)

Country	Mean value per m^2 of households' main residences (*)	Mean value of households' main residences (*)	Mean size of households' main residences (*)
Belgium	-	273,059	-
Germany	1,666	205,758	123
Greece	1,365	123,381	90
Spain	1,835	211,118	115
France	2,058	226,693	110
Italy	**2,210**	**253,966**	**115**
Cyprus	1,867	317,513	170
Luxembourg	3,895	611,873	157
Malta	-	214,925	-
Netherlands	6,265	270,887	43
Austria	1,932	258,072	134
Portugal	-	113,847	-
Slovenia	1,450	126,523	87
Slovakia	708	68,666	97
Finland	1,519	159,503	105
Euro Area	**1,962**	**221,139**	**113**

(*) With reference exclusively to owner occupiers.

Table 16

Possession of the components of financial wealth

(per cent of households)

Country	Financial assets	Deposits	Mutual funds	Bonds and government securities	Shares	Money owed to house-holds	Whole life insurance policies and voluntary private pensions	Other financial assets
Belgium	98.0	97.7	17.6	7.5	14.7	7.7	43.3	3.5
Germany	99.3	99.0	16.9	5.2	10.6	13.7	46.5	11.3
Greece	74.5	73.4	1.2	0.5	2.7	3.9	3.8	0.2
Spain	98.3	98.1	5.6	1.4	10.4	6.3	23.6	1.9
France	99.6	99.6	10.7	1.7	14.7	5.0	37.5	7.8
Italy	**92.0**	**91.8**	**6.3**	**14.6**	**4.6**	**1.3**	**18.0**	**3.7**
Cyprus	87.9	81.2	1.0	3.2	34.6	9.2	45.7	1.1
Luxembourg	98.4	98.0	19.0	4.4	10.0	7.1	34.3	2.2
Malta	97.2	96.9	8.0	21.6	13.4	4.6	24.2	1.5
Netherlands	97.8	94.2	17.7	6.0	10.4	8.5	49.8	2.7
Austria	99.5	99.4	10.0	3.5	5.3	10.3	17.7	1.6
Portugal	94.5	94.3	2.8	0.4	4.4	8.2	14.1	0.4
Slovenia	93.9	93.6	12.0	0.7	10.0	5.8	18.3	1.0
Slovakia	91.7	91.2	2.7	1.0	0.8	9.7	15.0	0.9
Finland	100.0	100.0	27.4	0.8	22.2	-	23.7	-
Euro Area	**96.8**	**96.4**	**11.4**	**5.3**	**10.1**	**7.6**	**33.0**	**6.0**

Table 17

Proportion of indebted households
(per cent)

Country	Mortgage debt			Non-mortgage debt				Any form of debt
	Household main residence mortgage	-Other property mortgage	Any mortgage debt	Credit line/ overdraft debt	Credit cards with repayment instalments	Other debts	Any form of non-mortgage debt	
Belgium	28.5	3.2	30.5	6.2	6.3	17.9	24.0	44.8
Germany	18.0	6.0	21.5	19.8	3.4	21.7	34.6	47.4
Greece	13.9	3.9	17.5	5.7	13.7	12.6	26.1	36.6
Spain	26.8	7.3	32.5	0.6	7.3	27.2	30.7	50.0
France	16.9	10.1	24.4	7.0	-	28.7	32.8	46.9
Italy	**9.6**	**1.6**	**10.8**	**3.6**	**1.4**	**15.3**	**17.8**	**25.2**
Cyprus	35.0	15.4	44.8	24.3	18.8	29.3	47.9	65.4
Luxembourg	32.8	8.4	38.8	7.4	6.3	30.8	36.9	58.3
Malta	12.1	4.5	15.6	6.0	13.1	13.7	25.2	34.1
Netherlands	43.9	2.5	44.7	20.8	4.6	24.6	37.3	65.7
Austria	16.6	2.4	18.4	13.6	1.5	11.1	21.4	35.6
Portugal	24.5	3.3	26.7	3.0	5.8	13.3	18.3	37.7
Slovenia	12.5	1.6	14.1	24.0	3.0	27.1	38.9	44.5
Slovakia	9.3	0.6	9.6	8.0	5.1	12.6	19.9	26.8
Finland	32.8	-	32.8	-	-	51.2	-	59.8
Euro Area	**19.4**	**5.6**	**23.1**	**10.2**	**4.3**	**22.4**	**29.3**	**43.7**

Table 18

Indicators of debt sustainability (*)
(per cent)

Country	Debt-asset ratio	Debt-income ratio	Debt service-income ratio	Mortgage debt service-income ratio	Loan-value ratio of household main residence	Net liquid assets-income ratio (**)
Belgium	18.2	79.8	15.1	14.8	28.8	33.5
Germany	28.4	37.3	10.9	12.8	41.9	22.3
Greece	14.8	47.2	14.7	16.4	31.6	4.9
Spain	17.9	113.5	19.9	20.5	31.0	12.3
France	18.9	50.4	14.7	17.4	32.4	18.5
Italy	**11.7**	**50.3**	**13.2**	**15.5**	**30.0**	**21.9**
Cyprus	17.0	157.0	25.0	25.3	31.9	5.1
Luxembourg	18.2	86.9	16.6	16.3	27.5	20.7
Malta	6.2	52.0	11.5	12.8	19.9	75.7
Netherlands	41.3	194.1	14.5	14.2	52.5	16.4
Austria	16.7	35.6	5.6	4.6	18.7	32.9
Portugal	25.7	134.0	17.3	16.7	41.4	15.9
Slovenia	3.9	26.6	15.8	11.7	5.4	2.2
Slovakia	6.6	22.7	12.5	20.4	37.3	12.1
Finland	34.6	64.3	-	-	48.6	9.4
Euro Area	**21.8**	**62.0**	**13.9**	**15.9**	**37.3**	**18.6**

(*) The indicators were calculated only for the persons having the type of debt indicated. (**) Net liquid assets were calculated as the sum of deposits, mutual funds, bonds, listed shares, other equity and individually managed portfolios net of current account overdrafts, credit card debt and other debt without real collateral.