Poverty in Italy
2017

Absolute poverty

In 2017, the incidence of absolute poverty was 6.9% in terms of residing households (1 million and 778 thousand households) and 8.4% in terms of individuals (5 million and 58 thousand households). In 2016 the former was 6.3% and the latter 7.9%.

The incidence of absolute poverty at the household level increased with respect to 2016; it particularly increased among households in the South and Islands area (from 8.5% in 2016 to 10.3%), and among households with one minor child (from 7.2% to 9.5%). In 2017 the incidence of poverty among individuals increased with respect to 2016 with higher values in the South and Islands area (11.4%, 2 million and 359 thousand persons).

The share of poor households exclusively composed by non-nationals was almost six times higher than that of poor households composed by nationals only (29.2% vs. 5.1%).
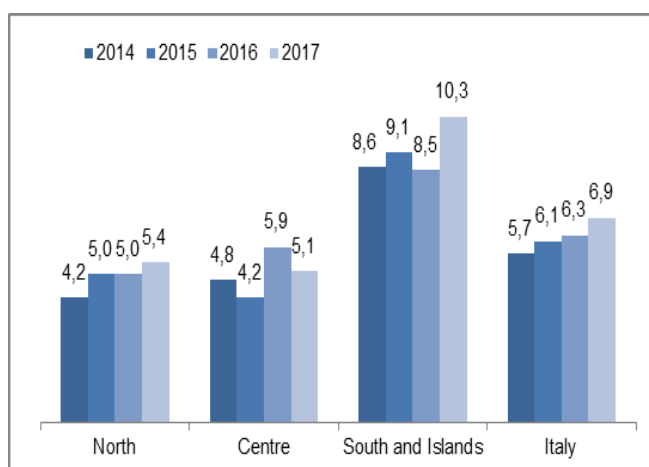
Households residing in metropolitan municipalities of the South and Islands area showed worsening signals (incidence of absolute poverty from 5.8% in 2016 to 10,1% in 2017).

Professional condition is a crucial determinant of the absolute poverty incidence that decreases in the households where the reference person is employed (from 6.4% in 2016 to 6.1%) and increases in the households where the reference person is not employed (from 6.1% to 7.7%). Nevertheless, in the households where the reference person is a worker, the incidence of absolute poverty (11.8%) is more than double than in the households where the reference person is retired (4.2%).

Relative poverty

In 2017, the percentage of poor households in relative terms increased with respect to 2016 (12.3% in 2017 from 10.6% in 2016), the same for poor individuals (15.6% in 2017 from 14.0% in 2016). Households in relative poverty were 3 million and 171 thousand, individuals were 9 million and 368 thousand in 2017.

**Graph. 1 Absolute poverty incidence (households)
by geographical area. Years 2014-2017** (*percentage values*)

**Graph 2. Relative poverty (households)
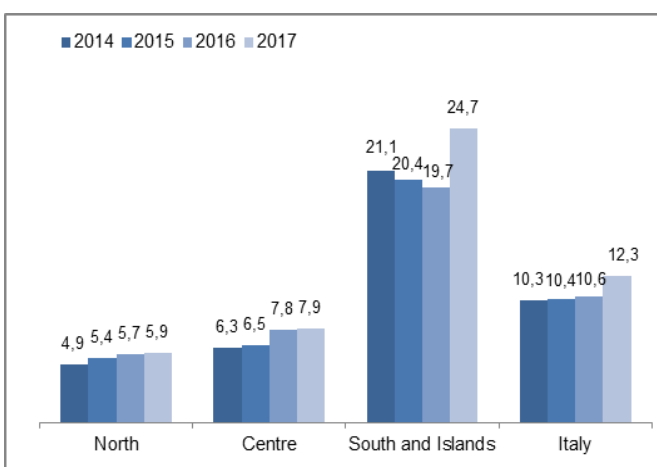by geographical area. Years 2014-2017** (*percentage values*)

Table 1. **Absolute poverty indicators by geographical area. Years 2016-2017** *(in thousands and percentage values)*

	North		Centre		South and Islands		Italy	
	2016	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**
Absolute values in thousands								
Poor households	609	661	311	271	699	845	1.619	1,778
Resident households	12,306	12,338	5,299	5,315	8,192	8,212	25,797	25,865
Poor individuals	1,832	1,928	871	771	2,038	2,359	4,742	5,058
Resident individuals	27,562	27,538	12,001	11,995	20,763	20,688	60,326	60,220
Percentage composition								
Poor households	37.6	37.2	19.2	15.3	43.2	47.5	100.0	100.0
Resident households	47.7	47.7	20.5	20.5	31.8	31.7	100.0	100.0
Poor individuals	38.6	38.1	18.4	15.2	43.0	46.6	100.0	100.0
Resident individuals	45.7	45.7	19.9	19.9	34.4	34.4	100.0	100.0
Poverty incidence (%)								
Households	5.0	5.4	5.9	5.1	8.5	10.3	6.3	6.9
Individuals	6.7	7.0	7.3	6.4	9.8	11.4	7.9	8.4
Poverty intensity (%)				21.8				
Households	21.8	20.1	18.6	18.3	20.5	22.7	20.7	20.9

Table 2. **Absolute poverty incidence by individuals by sex and age class. Years 2016-2017** *(percentage values)*

	2016	**2017**
Sex		
Male	7.8	8.8
Female	7.9	8.0
Age class		
Until 17 years	12.5	12.1
18 - 34 years	10.0	10.4
35 - 64 years	7.3	8.1
65 years and over	3.8	4.6

Table 3. **Absolute poverty incidence by household size, household typology, number of minor children and elderly in the household. Years 2016-2017** *(percentage values)*

	2016	**2017**
Household size		
1	4.9	5.3
2	4.2	4.9
3	6.4	7.2
4	9.1	10.2
5 and over	17.2	17.8
Household typology		
Single member under 65	5.7	5.9
Single member 65 and over	4.2	4.6
Couple with r.p. (a) under 65	5.4	5.0
Couple with r.p. (a) 65 and over	2.7	2.6
Couple with one child	5.5	6.3
Couple with 2 children	8.9	9.2
Couple with 3 or more children	14.7	15.4
Single parent	7.9	9.1
Other typologies	10.9	15.7
Household by presence of minor children		
1 minor child	7.2	9.5
2 minor children	10.0	9.7
3 or more minor children	26.8	20.9
at least 1 minor child	9.9	10.5
Households by presence of elderly		
1 elderly	4.2	5.1
2 elderly or more	3.5	4.1
at least 1 elderly	3.9	4.8

(a) r. p. =reference person.

Table 4. Absolute poverty incidence by reference person age class. Years 2016-2017
(percentage values)

	2016	2017
Age class		
Until 34 years	10.4	9.6
35 - 44 years	8.9	8.8
45 - 54 years	7.6	8.4
55 - 64 years	5.2	6.7
65 years and over	3.9	4.6

Table 5. Absolute poverty incidence by the highest level of education attained and professional condition of the household reference person. Years 2016-2017 *(percentage values)*

	2016	2017
Educational level		
Primary school certificate, no educational degree	8.2	10.7
Lower secondary school certificate	8.9	9.6
Upper secondary school certificate and higher	4.0	3.6
Professional condition (a)		
EMPLOYED	6.4	6.1
-EMPLOYEE	6.9	6.6
--Executive, Middle Management And White Collar	1.5	1.7
-- Worker	12.6	11.8
- SELF-EMPLOYED	5.1	4.5
-- Entrepreneur and freelance	*	*
-- Other self-employed	6.7	6.0
NOT EMPLOYED	6.1	7.7
- Seeking for job	23.2	26.7
- Retired	3.7	4.2
-Other condition (different from retired)	9.1	11.9

* The value is statistically unreliable given the small sample size
(a) Employed and seeking for job are defined according to the ILO international standard.

Table 6. Absolute poverty incidence by municipality, demographic size and geographical area. Years 2016-2017 *(percentage values)*

	North		Centre		South and Islands		Italy	
	2016	2017	2016	2017	2016	2017	2016	2017
Municipality demographic size								
Metropolitan area - centre	5.5	7.3	3.7	*	5.8	10.1	4.9	6.3
Metropolitan area suburbs and municipalities with 50,001 inhab. and over	4.2	5.7	7.4	6.4	11.1	11.5	7.1	7.6
Other municipalities until 50,000 inhab. (different from metropolitan area suburbs)	5.2	4.7	6.4	5.9	7.8	9.8	6.3	6.7

* The value is statistically unreliable given the small sample size

Table 7. Absolute poverty incidence by household members, citizenship and geographical area. Years 2016-2017 *(percentage values)*

	North		Centre		South and Islands		Italy	
	2016	2017	2016	2017	2016	2017	2016	2017
Household members' citizenship								
Nationals only	2.6	3.1	3.5	3.3	7.5	9.1	4.4	5.1
Nationals and non nationals	22.9	20.3	*	*	*	*	27.4	16.4
Non nationals only	27.9	27.7	20.0	23.8	29.7	42.6	25.7	29.2

* The value is statistically unreliable given the small sample size

Table 8. Monthly absolute poverty thresholds for selected household typologies, geographical area and municipality type. Year 2017 *(euros)*

Household typology	North			Centre			South and Islands		
	Metropolitan area - centre	Metropolitan area suburbs and municipalities with 50,001 inhab. and over	Other municipalities until 50,000 inhab. (different from metropolitan area suburbs)	Metropolitan area - centre	Metropolitan area suburbs and municipalities with 50,001 inhab. and over	Other municipalities until 50,000 inhab. (different from metropolitan area suburbs)	Metropolitan area - centre	Metropolitan area suburbs and municipalities with 50,001 inhab. and over	Other municipalities until 50,000 inhab. (different from metropolitan area suburbs)
1 comp. 18-59	826.73	787.50	742.18	795.30	754.33	707.01	618.08	597.19	560.82
1 comp. 60-74	794.94	755.71	710.39	768.42	727.45	680.13	591.47	570.58	534.21
1 comp. 75+	753.32	714.09	668.77	731.21	690.24	642.92	554.56	533.67	497.30
2 comp. 18-59	1.144.18	1.096.83	1.043.14	1.086.39	1.036.95	980.89	882.23	857.80	815.77
2 comp. 60-74	1.081.29	1.033.94	980.25	1.032.85	983.41	927.35	829.25	804.82	762.79
2 comp. 75+	1.007.79	960.44	906.75	967.05	917.61	861.55	763.93	739.50	697.47
1 comp. 60-74 and 1 comp. 75+	1.044.26	996.91	943.22	999.70	950.26	894.20	796.35	771.92	729.89
1 comp. 18-59 and 1 comp. 75+	1.074.11	1.026.76	973.07	1.025.07	975.63	919.57	821.42	796.99	754.96
1 comp. 18-59 and 1 comp. 60-74	1.112.08	1.064.73	1.011.04	1.059.04	1.009.60	953.54	855.16	830.73	788.70
1 comp. 11-17 and 1 comp. 18-59	1.159.20	1.111.85	1.058.16	1.099.68	1.050.24	994.18	895.86	871.43	829.40
1 comp. 4-10 and 1 comp. 18-59	1.101.53	1.054.18	1.000.49	1.050.03	1.000.59	944.53	846.40	821.97	779.94
1 comp. 18-59 and 2 comp. 75+	1.289.88	1.235.24	1.174.14	1.225.54	1.168.48	1.104.69	998.62	971.15	924.32
1 comp. 18-59 and 1 comp. 60-74 and 1 comp. 75+	1.325.41	1.270.77	1.209.67	1.257.36	1.200.30	1.136.51	1.030.22	1.002.75	955.92
1 comp. 18-59 and 2 comp. 60-74	1.361.49	1.306.85	1.245.75	1.289.69	1.232.63	1.168.84	1.062.34	1.034.87	988.04
2 comp. 18-59 and 1 comp. 75+	1.357.17	1.302.53	1.241.43	1.284.54	1.227.48	1.163.69	1.057.11	1.029.64	982.81
2 comp. 18-59 and 1 comp. 60-74	1.394.23	1.339.59	1.278.49	1.317.72	1.260.66	1.196.87	1.090.09	1.062.62	1.015.79
3 comp. 18-59	1.428.43	1.373.79	1.312.69	1.347.04	1.289.98	1.226.19	1.119.12	1.091.65	1.044.82
1 comp. 11-17 and 2 comp. 18-59	1.442.12	1.387.48	1.326.38	1.359.15	1.302.09	1.238.30	1.131.51	1.104.04	1.057.21
1 comp. 4-10 and 2 comp. 18-59	1.390.92	1.336.28	1.275.18	1.315.10	1.258.04	1.194.25	1.087.63	1.060.16	1.013.33
1 comp. 0-3 and 2 comp. 18-59	1.289.67	1.235.03	1.173.93	1.223.38	1.166.32	1.102.53	995.97	968.50	921.67
2 comp. 18-59 and 2 comp. 60-74	1.648.81	1.581.27	1.507.33	1.556.64	1.486.11	1.408.91	1.289.24	1.256.68	1.201.98
3 comp. 18-59 and 1 comp. 60-74	1.684.11	1.616.57	1.542.63	1.587.02	1.516.49	1.439.29	1.319.33	1.286.77	1.232.07
4 comp. 18-59	1.721.00	1.653.46	1.579.52	1.618.82	1.548.29	1.471.09	1.350.84	1.318.28	1.263.58
1 comp. 11-17 and 3 comp. 18-59	1.733.90	1.666.36	1.592.42	1.630.22	1.559.69	1.482.49	1.362.49	1.329.93	1.275.23
2 comp. 11-17 and 2 comp. 18-59	1.746.82	1.679.28	1.605.34	1.641.62	1.571.09	1.493.89	1.374.16	1.341.60	1.286.90
1 comp. 4-10 and 1 comp. 11-17and 2 comp. 18-59	1.700.08	1.632.54	1.558.60	1.601.46	1.530.93	1.453.73	1.334.14	1.301.58	1.246.88
2 comp. 4-10 and 2 comp. 18-59	1.652.90	1.585.36	1.511.42	1.560.88	1.490.35	1.413.15	1.293.74	1.261.18	1.206.48
1 comp. 0-3 and 1 comp. 4-10 and 2 comp. 18-59	1.553.81	1.486.27	1.412.33	1.471.11	1.400.58	1.323.38	1.203.98	1.171.42	1.116.72
1 comp. 4-10 and 3 comp. 18-59	1.687.11	1.619.57	1.545.63	1.589.99	1.519.46	1.442.26	1.322.42	1.289.86	1.235.16
2 comp. 0-3 and 2 comp. 18-59	1.457.18	1.389.64	1.315.70	1.383.55	1.313.02	1.235.82	1.116.46	1.083.90	1.029.20
3 comp. 18-59 and 1 comp. 75+	1.646.98	1.579.44	1.505.50	1.553.76	1.483.23	1.406.03	1.286.27	1.253.71	1.199.01
1 comp. 0-3 and 1 comp. 11-17 and 5 comp. 18-59	1.600.90	1.533.36	1.459.42	1.511.60	1.441.07	1.363.87	1.244.33	1.211.77	1.157.07
	1.985.63	1.907.84	1.823.92	1.863.01	1.781.78	1.694.15	1.563.60	1.527.23	1.466.77
1 comp. 11-17 and 4 comp. 18-59	1.998.03	1.920.24	1.836.32	1.873.94	1.792.71	1.705.08	1.574.77	1.538.40	1.477.94
1 comp. 4-10 and 2 comp. 11-17 and 2 comp. 11-17 and 3 comp. 18-59	1.979.53	1.901.74	1.817.82	1.858.66	1.777.43	1.689.80	1.560.10	1.523.73	1.463.27
	2.010.43	1.932.64	1.848.72	1.884.88	1.803.65	1.716.02	1.585.95	1.549.58	1.489.12
1 comp. 4-10 and 1 comp. 11-17 and 3 comp. 18-59	1.967.07	1.889.28	1.805.36	1.847.65	1.766.42	1.678.79	1.548.85	1.512.48	1.452.02
2 comp. 4-10 and 1 comp. 11-17 and 2 comp. 18-59	1.935.83	1.858.04	1.774.12	1.821.12	1.739.89	1.652.26	1.522.71	1.486.34	1.425.88

Table 9. Relative poverty indicators by geographical area. Years 2016-2017 *(in thousands and percentage values)*

	North		Centre		South and Islands		Italy	
	2016	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**
Absolute values in thousands								
Poor households	701	726	415	417	1,618	2,028	2,734	3,171
Resident households	12,306	12,339	5,299	5,315	8,192	8,212	25,797	25,865
Poor individuals	2,303	2,263	1,280	1,263	4,882	5,842	8,465	9,368
Resident individuals	27,562	27,538	12,001	11,995	20,763	20,688	60,326	60,220
Percentage composition								
Poor households	25.6	22.9	15.2	13.2	59.2	64.0	100.0	100.0
Resident households	47.7	47.7	20.5	20.5	31.8	31.7	100.0	100.0
Poor individuals	27.2	24.2	15.1	13.5	57.7	62.4	100.0	100.0
Resident individuals	45.7	45.7	19.9	19.9	34.4	34.4	100.0	100.0
Poverty incidence (%)								
Households	5.7	5.9	7.8	7.9	19.7	24.7	10.6	12.3
Individuals	8.4	8.2	10.7	10.5	23.5	28.2	14.0	15.6
Poverty intensity (%)								
Households	24.7	22.9	23.7	22.6	24.3	24.8	24.3	24.1

Table 10. Relative poverty incidence by individuals by sex and age class. Years 2016-2017 *(percentage values)*

	2016	**2017**
Sex		
Male	14.1	16.1
Female	14.0	15.1
Age class		
Until 17 years	22.3	21.5
18 - 34 years	16.8	19.0
35 - 64 years	12.7	14.5
65 years and over	8.2	10.5

Table 11. Relative poverty incidence by household size, household typology, number of minor children and elderly in the household by geographical area. Years 2016-2017 *(percentage values)*

	North		Centre		South and Islands		Italy	
	2016	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**
Household size								
1	2.2	2.9	2.5	2.9	12.9	17.1	5.3	6.9
2	4.0	4.2	6.7	6.0	17.5	21.5	8.4	9.5
3	6.1	6.3	10.2	12.9	21.2	28.1	12.2	15.1
4	12.2	11.7	16.1	14.1	23.4	31.2	17.1	19.8
5 and over	23.8	23.4	20.3	18.6	39.7	40.1	30.9	30.2
Household typology								
Single member under 65	2.0	3.4	*	*	14.6	14.9	5.3	6.1
Single member 65 and over	2.3	2.5	*	*	11.5	18.7	5.2	7.6
Couple with r.p. (a) under 65	3.3	3.0	*	*	16.4	18.4	7.5	7.8
Couple with r.p. (a) 65 and over	3.2	2.6	6.2	4.3	17.0	20.8	7.9	8.3
Couple with one child	5.3	5.3	8.9	12.9	19.7	27.4	10.9	14.2
Couple with 2 children	12.0	10.7	16.5	12.9	22.4	30.3	16.8	18.8
Couple with 3 or more children	22.3	19.7	*	*	34.8	37.2	28.1	27.1
Single parent	6.7	8.7	11.1	10.1	26.7	28.3	13.9	15.3
Other typologies	15.3	18.2	11.1	15.3	30.5	38.4	19.9	24.3
Household by presence of minor children								
1 minor child	8.4	8.6	11.7	15.5	20.8	29.7	13.2	17.0
2 minor children	14.4	13.0	20.5	12.1	26.8	31.5	20.1	19.4
3 or more minor children	32.7	24.5	*	*	59.9	45.6	42.0	31.0
at least 1 minor child	12.8	11.6	15.5	14.3	26.9	31.7	18.2	19.0
Households by presence of elderly								
1 elderly	3.0	3.7	3.3	5.1	14.9	21.2	7.1	9.8
2 elderly or more	4.2	4.3	6.0	7.3	19.2	24.7	9.2	11.2
at least 1 elderly	3.4	3.9	4.3	5.9	16.3	22.3	7.8	10.3

(a) r.p.=reference person;
*The value is statistically unreliable given the small sample size

Table 12. Relative poverty incidence by reference person age class and geographical area. Years 2016-2017 *(percentage values)*

	North		Centre		South and Islands		Italy	
	2016	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**
Age class								
Until 34 years	10.7	8.4	*	11.4	23.2	31.7	14.6	16.3
35 - 44 years	9.3	9.4	12.3	8.9	24.4	27.4	14.6	14.8
45 - 54 years	6.6	7.4	9.9	10.0	21.1	26.4	11.6	13.8
55 - 64 years	3.6	4.1	6.9	7.6	19.2	23.2	9.4	11.0
65 years and over	3.3	3.7	4.2	5.5	16.5	22.0	7.9	10.0

* The value is statistically unreliable given the small sample size

Table 13. Relative poverty incidence by highest level of education attained and professional condition. Years 2016-2017 *(percentage values)*

	North		Centre		South and Islands		Italy	
	2016	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**
Educational level								
Primary school certificate, no educational degree	8.3	7.9	8.9	10.3	24.6	35.7	15.0	19.6
Lower secondary school certificate	8.3	8.8	10.2	13.2	27.0	28.7	15.0	16.6
Upper secondary school certificate and higher	3.4	3.7	6.5	4.4	11.6	14.1	6.3	6.5
Professional condition (a)								
EMPLOYED	6.2	6.2	8.6	7.5	18.4	20.8	10.2	10.5
-EMPLOYEE	6.9	7.0	9.4	8.0	18.3	22.0	10.7	11.3
--Executive, Middle Management And White	*	1.3	2.5	*	8.5	9.7	3.1	3.4
-- Worker	13.9	13.3	17.3	15.5	27.6	32.7	18.7	19.5
- SELF-EMPLOYED	4.0	4.1	6.1	5.9	18.5	17.4	9.0	8.4
-- Entrepreneur and freelance	*	*	*	*	*	*	4.2	1.8
-- Other self-employed	5.6	5.7	*	*	21.3	22.7	11.0	11.6
NOT EMPLOYED	5.1	5.5	7.0	8.3	21.0	27.8	11.0	14.1
- Seeking for job	19.6	26.2	33.4	27.8	40.1	48.8	31.0	37.0
- Retired	3.0	3.2	4.9	5.4	18.0	21.5	8.0	9.0
-Other condition (different from retired)	10.9	9.3	*	10.6	22.7	32.4	15.3	21.1

* The value is statistically unreliable given the small sample size
(a) Employed and seeking for job are defined according to the ILO international standard.

Table 14. Relative poverty incidence by municipality demographic size and geographical area. Years 2016-2017 *(percentage values)*

	North		Centre		South and Islands		Italy	
	2016	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**
Municipality demographic size								
Metropolitan area - centre	3.9	6.9	4.8	5.1	10.3	23.3	5.7	10.0
Metropolitan area suburbs and municipalities with 50,001 inhab. and over	4.7	5.7	8.7	8.7	22.2	23.3	11.2	11.6
Other municipalities until 50,000 inhab. (different from metropolitan area suburbs)	6.7	5.7	9.4	9.2	20.4	25.6	11.8	13.3

Table 15. Relative poverty incidence by household members' citizenship and geographical area. Years 2016-2017 *(percentage values)*

	North		Centre		South and Islands		Italy	
	2016	**2017**	**2016**	**2017**	**2016**	**2017**	**2016**	**2017**
Household members' citizenship								
Nationals only	2.9	3.5	5.2	5.4	18.3	23.5	8.5	10.5
Nationals and non nationals	27.1	23.4	*	*	58.8	*	36.1	23.9
Non nationals only	32.4	29.2	22.5	29.3	47.1	59.6	31.5	34.5

* The value is statistically unreliable given the small sample size

Table 16. Relative poverty incidence, sampling error and confidence interval by region and geographical area. Years 2016-2017 *(percentage values)*

	2016				2017			
	Incidence	Error	Confidence interval		Incidence	Error	Confidence interval	
	(%)	(%)	Lower limit	Upper limit	(%)	(%)	Lower limit	Upper limit
Italy	**10.6**	**3.0**	**10.0**	**11.2**	**12.3**	**2.5**	**11.7**	**12.9**
Piemonte	6.0	11.4	4.6	7.3	6.8	12.5	5.2	8.5
Valle d'Aosta/Valleè d'Aoste	4.8	21.8	2.8	6.9	4.4	21.2	2.6	6.3
Liguria	11.1	12.9	8.3	14.0	8.5	11.7	6.5	10.4
Lombardia	5.0	11.7	3.8	6.1	5.5	8.7	4.5	6.4
Trentino Alto Adige/Südtirol	*	*	*	*	4.9	14.2	3.5	6.3
Bolzano-Bozen	*	*	*	*	*	32.9	0.6	2.9
Trento	*	*	*	*	7.8	15.8	5.4	10.2
Veneto	5.5	12.7	4.2	6.9	6.1	12.7	4.6	7.7
Friuli Venezia Giulia	10.4	14.6	7.4	13.3	6.9	13.5	5.1	8.7
Emilia Romagna	4.5	16.0	3.1	5.9	4.6	17.1	3.1	6.2
North	**5.7**	**5.5**	**5.1**	**6.3**	**5.9**	**5.0**	**5.3**	**6.5**
Toscana	3.6	21.9	2.0	5.1	5.9	13.4	4.4	7.5
Umbria	11.8	13.4	8.7	14.9	12.6	14.5	9.0	16.2
Marche	8.9	17.4	5.8	11.9	8.8	13.0	6.5	11.0
Lazio	9.7	12.7	7.3	12.1	8.2	9.4	6.6	9.6
Centre	**7.8**	**8.9**	**6.5**	**9.2**	**7.9**	**6.2**	**6.9**	**8.8**
Abruzzo	9.9	14.8	7.0	12.8	15.6	13.2	11.6	19.6
Molise	18.2	18.2	11.7	24.6	21.0	10.1	16.9	25.2
Campania	19.5	9.7	15.8	23.2	24.4	7.9	20.6	28.1
Puglia	14.5	10.1	11.6	17.4	21.6	7.1	18.6	24.6
Basilicata	21.2	13.4	15.7	26.8	21.8	10.5	17.4	26.3
Calabria	34.9	6.0	30.8	39.1	35.3	6.5	30.7	39.8
Sicilia	22.8	6.9	19.7	25.9	29.0	6.1	25.5	32.5
Sardegna	14.0	18.5	8.9	19.1	17.3	10.8	13.6	21.0
South and Islands	**19.7**	**4.1**	**18.2**	**21.3**	**24.7**	**3.3**	**23.1**	**26.3**
* The value is statistically unreliable given the small sample size								

* The value is statistically unreliable given the small sample size

ECONOMIC CYCLE AND POVERTY LINE

The relative poverty line depends year by year on variations both of consumer prices and of the mean of consumption expenditure. On analysing the relative poverty variation it is necessary to take into account both aspects. In 2017, the relative poverty line was 1,085.22 euros (12.3%, 3 million and 171 thousand poor households), about 24 euros more than 2016.
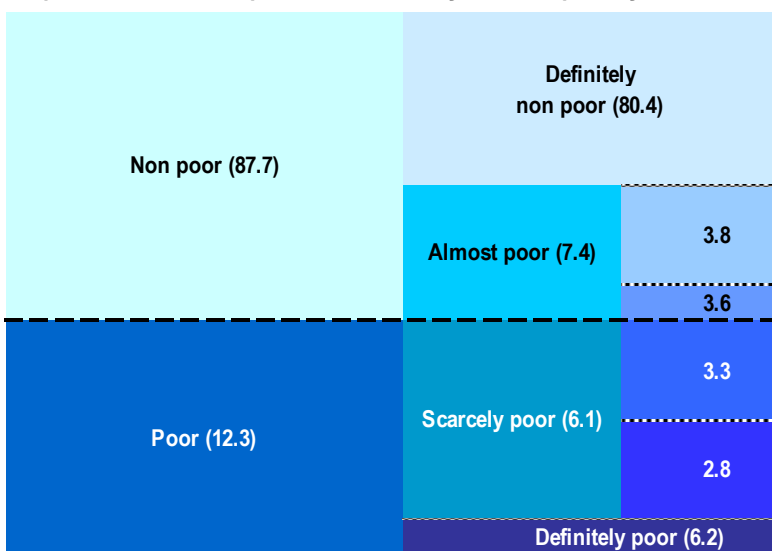
The 2016 poverty line re-evaluated in accordance with the national inflation rate (+1.2%) is 1,074.09 Euros; the poverty incidence, with this line, is 11.9% (3 million and 72 thousand poor households)

Table 17. Relative poverty indicators by the 2016 poverty line, the re-evaluated 2016 poverty line and the 2017 poverty line *(in the thousands and percentage values)*

	2016 poverty line		Re-evaluated 2016 poverty line		2017 poverty line	
	1,061.35 Euros		1,074.09 Euros		1,085.22 Euros	
	Households	Incidence (%)	Households	Incidence (%)	Households	Incidence (%)
North	701	5.7	707	5.7	726	5.9
Centre	415	7.8	405	7.6	417	7.9
South and Islands	1.618	19.7	1.960	23.9	2.028	24.7
Italy	2.734	10.6	3.072	11.9	3.171	12.3

Graph 3. Poor and non-poor households by different poverty lines. Year 2017 *(percentage composition)*

For more details please refer to the Italian version

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Methodological Note

This Report disseminates estimates based on the renewed Household Budget Survey, that is designed to measure and analyze expenditure behaviors of households residing in Italy according to their main social, economic and territorial characteristics (for further details please https://www.istat.it/en/archivio/217360, Household consumption expenditure).

The estimate of the absolute poverty defines as poor a household with a consumption expenditure lower or equal to the monetary value of a basket of goods and services considered as essential to avoid severe forms of social exclusion.

Essential requirements are identified in adequate nutrition, availability of a dwelling and minimum necessary to dress, communicate, learn, move, recreate and be in good health.

The monetary value of the basket of absolute poverty varies according to household member socio-demographic characteristics (number; age), geographical area of residence and municipality demographic size, so that there are many absolute poverty thresholds, not a single one.

The values of monthly absolute poverty thresholds, for selected household typologies (detailed by number and age of components), by geographical area and municipality type, can be calculated at: http://www.istat.it/it/prodotti/contenuti-interattivi/calcolatori/soglia-di-poverta

Last, the monetary value of the basket is reviewed every year in the light of trend in prices and compared to the levels of spending on household consumption.

The estimate of the relative poverty is based on a poverty line (International Standard of Poverty Line - ISPL) defining as poor a household of two components with a consumption expenditure level lower or equal to the mean per-capita consumption expenditure.

To define the relative poverty line for different household sizes an equivalence scale is used (Carbonaro equivalence scale) to take into account different needs and economies/diseconomies of scale that can be achieved in bigger/smaller households.

For Italy, the Carbonaro equivalence scale is used, that assigns a unitary weight to a two-member household.

Carbonaro Equivalence Scale

Household size	Equivalence scale coefficients
1	0.60
2	1.00
3	1.33
4	1.63
5	1.9
6	2.15
7 or more	2.40

For both poverty measures (absolute and relative), the assumption is that household resources are equally shared among all the household members, so that individuals in a poor family are all equally poor.

To summarise information on different poverty aspects (spread, gravity) two indices are calculated.

The first is the proportion of the poor (incidence), that is the ratio between the number of households (individuals) in poverty and the number of resident households (individuals).

The second is the mean poverty gap (intensity), measuring 'how poor are the poor', that is, in percentage terms, the difference between the mean consumption expenditures of poor households and the monetary value of the basket of absolute poverty/the poverty line.