

HS060: CAPACITY TO FACE UNEXPECTED FINANCIAL EXPENSES

Topic and detailed topic: Living conditions, including material deprivation, housing, living environment, access to services / Material deprivation

Variable type: Annual

Unit: Household

Reference period: Current

Mode of collection: Household respondent

In use (period): Yes, since first year of EU-SILC data collection

Series' differences: No changes

VALUES AND FORMAT

1	Yes
2	No

FLAGS

1	Filled
-1	Missing

DESCRIPTION

The variable records whether, according to the household respondent, the household can face itself unexpected financial expenses.

'Own resources' means:

- Your household does not ask for financial help from anybody;
- Your account has to be debited within the required period;
- Your situation regarding potential debts is not deteriorated.

You do not pay through own resources if you pay in instalments (or by taking a loan) expenses that you previously used to pay in cash.

Required expenses: A required expense could be different across countries but examples are surgery, a funeral, major repairs in the house, replacement of durables like washing machine, car.

For the calculation of the **amount that should be filled** in the questionnaire, the national at-risk-of-poverty threshold has to be used per single consumption unit, which means it has to be used independently of the size and structure of the household. A ratio of 1/12 of the above value is used in the questionnaire. This value can be rounded but the difference between calculated value and rounded value cannot exceed 5% (for example; a calculated value of 136 can be rounded to 140 but not to 150).

The calculation for year 'n' comes from year 'n-2' EU-SILC data. For year 1 and 2, appropriate national data has to be used.

Suggested question:

Can your household afford an unexpected required expense (amount to be filled) and pay through its own resources? Yes/No