At-risk-of-poverty rate among households by degree of urbanisation, 2004-2023

	Household rate (%)			95% confidence interval (+/-)			Estimated number of households		
	Total	Capital region	Outside capital region	Total	Capital region	Outside capital region	Total	Capital region	Outside capital region
2004	12,4	12,6	12,0	1,5	1,9	2,4	13800	9100	4600
2005	12,4	11,8	13,4	1,5	1,8	2,4	14000	8700	5200
2006	11,2	10,1	13,2	1,4	1,7	2,5	12700	7500	5200
2007	12,7	11,7	14,6	1,5	1,9	2,6	14900	9000	5900
2008	13,1	12,3	14,6	1,6	2,0	2,6	16000	9700	6300
2009	13,9	13,6	14,6	1,6	2,0	2,6	17600	11000	6600
2010	11,8	11,4	12,7	1,5	1,8	2,4	14800	9200	5600
2011	11,5	11,6	11,5	1,4	1,8	2,4	14200	9200	5000
2012	9,3	9,7	8,6	1,3	1,6	2,1	11500	7800	3800
2013	10,7	11,2	9,7	1,4	1,8	2,1	13300	9100	4200
2014	10,0	10,2	9,6	1,4	1,8	2,2	12600	8400	4100
2015	11,8	13,0	9,3	1,6	2,0	2,3	15000	11000	4000
2016	11,6	12,4	9,9	1,6	2,1	2,3	15300	10800	4500
2017	12,8	13,9	10,8	1,7	2,3	2,4	18600	13000	5600
2018	10,4	9,7	11,7	1,6	2,0	2,6	15600	9200	6400
2019	8,9	9,7	7,8	1,5	2,0	2,1	12500	8400	4100
2020	8,0	6,7	10,0	1,4	1,6	2,4	11600	6000	5500
2021	9,0	9,3	8,5	1,4	1,8	2,1	13400	8700	4700
2022	8,2	8,3	8,1	1,4	1,8	2,2	12700	8000	4600
2023	8,8	9,4	7,9	1,5	1,9	2,2	14100	9700	4400

Estimates for 2021-2023 are preliminary.

The at-risk-of-poverty rate is the share of people with an equivalised disposable income below the at-risk-of-poverty threshold, which is set at 60 % of the national median equivalised disposable income. This indicator does not a directly measure poverty, but low income in comparison to other residents in the country.

Disposable income is the total income of a household, after tax and other deductions (transfers to other households), that is available for spending or saving. Disposable income includes all income from work (employee wages and earnings from self-employment); private income from investment and property; transfers between households; all social transfers received in cash.

Equivalised disposable income is the total income of a household divided by the number of household members converted into equalised adults; household members are equalised or made equivalent by weighting each according to their age, using the so-called modified OECD equivalence scale. The equivalised disposable income is calculated in three steps:

1. The total (net) household income is calculated by adding up all monetary incomes received from any source by each member of a household; these include income from work, investment and social benefits, plus any other household income. Taxes and social contributions that have been paid are deducted from this sum.
2. Using the OECD equivalence scale, the total household income is divided by the number of „equivalent adults“, in order to reflect differences in a household's size and composition. This scale gives a weight to each member of the household (and then adds these up to arrive at the equivalised household size): 1.0 to the first adult; 0.5 to the second and each subsequent person aged 14 and over; 0.3 to each child aged under 14.
3. Finally, the resulting figure is called the equivalised disposable income and is attributed equally to each member of the household.

The equivalised household size for a family with two adults and two children calculates to 2.1, using the modified OECD scale (1 for the first adult, 0.5 for the second adult, and 0.3 for each child). If this household earns a total income of 500,000 ISK per month, then the equivalised disposable income would be approximately 238,095 ISK (500,000 ISK divided by 2.1).

95% confidence interval (+/-): The Statistics on Income and Living conditions survey (SILC) is a sample survey, and therefore there is uncertainty surrounding the results. Confidence intervals are calculated to estimate this uncertainty; it estimates how the sample value represents the true value of the population. With 95% certainty the true estimate is contained within the upper and the lower bounds.

Estimated number of households: Estimated numbers are rounded to the next hundred.

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