



Poverty & Inequality

The Poverty and Inequality theme provides statistics for Timor-Leste's indicators on consumption, poverty, inequality and ownership of durable goods. Types of disaggregation of these statistics include administrative level of disaggregation (national, region, district, urban/rural) and sex.

Consumption

These statistics report poverty measures based on consumption expenditure over time that covers food and non-food consumption expenditure. The values of food and non-food consumption were calculated in monthly nominal per capita expenditure.

Per capita expenditure for food is calculated from the monetary values (in US Dollar) of all food consumed by a household in the past month and divided by household size. Per capita expenditure for non-food is calculated from the monetary values (in US Dollar) of all non-food items consumed by a household in the past month and divided by household size, exclude expenditure for education, health, utilities and rent.

Poverty

The following poverty indicators indices to summarize the level of poverty: Poverty Headcount Index, Poverty Rate, Poverty Gap Index and Poverty Severity Index.

Headcount Index measures the proportion of the population that is poor or is defined as the proportion of the population with a standard of living below the national poverty line. In Timor-Leste, poverty line is expressed in per capita consumption expenditure, is specified as the monetary value of food and non-food poverty lines. The food poverty line is based on the recommended nutritional norm of 2,100 calories per person. The non-food poverty line is based on the rent poverty line (the average rental cost per person of a reference dwelling) and other non-food items consumed excluding rental cost.

Poverty Gap Index is a measure of the average consumption shortfall of the population relative to the poverty line, counting the non-poor as having zero poverty gap. The poverty gap index takes into account the average consumption level of the poor and often used to measure the depth of poverty. Poverty Severity Index or the squared poverty gap index measures the distribution of consumption amongst the poor. The squared poverty gap index is also referred to as a measure of the severity of poverty.

Inequality

Gini index or sometimes expressed as a Gini ratio represent the income or wealth distribution in a country and commonly used measurement of inequality. A Gini Index ranged between 0 and 1 in which 0 corresponds to perfect income equality and 1 corresponds to perfect income inequality.

Ownership of Durable Goods

These statistics report the number of households with ownership of durable goods in Timor-Leste. It shows the proportion of household that own at least one item of fans, television, mobile phone, motorcycle/scooters and rice cooker in their household.

The statistics are calculated using this formula:

$$\text{Ownership of durable goods} = \frac{\text{household own durable goods}}{\text{total households}} \times 100$$