CHAPTER 5
FAMILY / CONSUMER ECONOMIC STATUS CRITERIA

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Towards the economic wellbeing

- Income and its distribution
- Use of Resources
- Meet basic needs
- Education and employment
- Expenses and cost of living
The level of financial input received by the family and the transactions conducted on the input to achieve the goals / desired standard of living.
Income and Its distribution

- The amount of money or goods and services received in a certain period of time.
- Revenue contributed by market activity
- The sources of family income.
  - Income money; flow of purchasing power at a certain time.
  - Income from wages and salaries; payment from services provided.
  - Real wages; purchasing power of money wages, by assuming all the wages already spent for gd n servc.
  - Interest; returns from investment
Three important concepts:

- Money income - income that is widely used in economic
- Real income - the usefulness of goods, commodities and services (own home, rent home)
- Psychic income - the income satisfaction

Perceptions of income will affect the behavior in an attempt to find a job

Income received need to allocate fairly
An existing resources (income, time) that need to be used efficiently:

- **Income** -
  - wages earned through the labor supply

- **Time** -
  - the higher the income, then the time more valuable
  - influencing consumption patterns
Meet Basic Needs

- **Means:**
  - As the basic to our need before enjoying a better life.

- **Basic need include:**
  - shelter, clothing, food and beverage, public facilities (telephone, transportation, hall) etc..
Education and Employment

- **Education**
  - To all of the family members in increasing their knowledge and for a better life.
  - The higher level in education, the higher job opportunity.

- **Employment**
  - Any lawful work that performed by each of household to meet all the household expenses.
  - Husband / wife, children
  - Ensure the better in our live.
Expenses and Cost of Living

- Expenses refer to:
  - how much we spent on the goods / services to make better in our daily life
    - Home expenses (eating, drinking, clothing, shelter etc.)
    - Expenses on children's education.
    - Expenses on the loan received.

- Cost of living refer to:
  - Amount used to accommodate for all of households
    - Include food, clothing, shelter etc..
Criteria to determine family/consumer economic status towards economic wellbeing based on:

- Income and its distribution
- Use of Resources
- Meet basic needs
- Education and employment
- Expenses and cost of living
Thank you for your all attention