

# PART I

## HOUSEHOLDS' BEHAVIOUR

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### HOUSEHOLDS' BUDGETS - A PRICELESS SOURCE OF INFORMATION FOR ANALYZING THE PROCESSES IN A HOUSEHOLD. EXAMPLES OF IMPLEMENTATION

**Key words:** marketing, consumption.

#### **Preliminary remarks**

Social and economical reforms, that took place in the nineties are still a major challenge for Polish households. Aside from many positive effects related with the economy's market transformation, increasing market offering of goods and services, or the freedom of making consumption decisions, serious social and economical problems also appeared, such as unemployment, deterioration of the financial condition of a part of households, growth of poverty and an increase in strain on household's budgets with basic expenses, previously subsidized goods and services.

The progressing changes affect the level and structure of consumption as well as the conditions it is realized at the households level. Consumption, regardless of any system conditions, depends on many variables of a demographic character (sex, age, duration of a household, size and its structure), economical character (tangible wealth of a household, including the apartment and its equipment, income), social character (education, place of living, etc.)<sup>1</sup>. Various strength of interaction of these variables affects the diversification of the conditions of households' lives, thus it had a significant impact on the dynamics of transformations in the structure of households, causing the creation of new social - economical groups in the nineties, with their own lifestyles, consumption preferences, ways of spending free time and the growing polarization of households in the terms of the economical situation. Groups of

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<sup>1</sup> In the literature of the subject related with the issue of consumption determinants, the factors are defined as defining or setting the level and structure of consumption. The criteria of their grouping were often dependent on the cognitive goals established by authorities, and grouping of factors often had a dichotomous character. For example Cz. Bywalec divides them into macro and micro economical, although the majority of authors that deal with this issue divides them into economical and not economical. Also a dichotomous division of predispositions is used with respect to consumer's behaviors in market (Bywalec, Rudnicki, 2002; Krasiński, Piasny, Szulce, 1984; Sojkin, 1994; Kramer, 1999; Kieźel, 2001)

households affected by poverty were created, which often are forced to limit the level of fulfillment of basic needs and groups with very high earnings, which gives them the possibility to realize the modern consumption structure.

Fulfilling needs (or participation in the consumption processes) is done based on owned resources (i.e. material resources accumulated in the form of assets and consumer durables, financial assets: current and savings, free time resources and own work for the household, resources of knowledge and cognitive abilities of people of the household). Due to this, households, similarly to enterprises, are an important subject in the market, as well as an important object of interest of many sciences (economics, sociology, pedagogy or psychology). Thus one needs to strive for identification of households' structure and diagnose their environment. Complete identification of behaviors and their empirical analysis requires creating a special set of information.

### **Household's budgets - a priceless source of information about a household**

A modification of consumption behaviors of households after 1989 is mainly the result of the diversification of incomes, which enforce accommodation changes, progressing at various paces and scopes in specific groups of households. Households' reactions to the same changes of incomes and prices, not always have an identical direction, despite they theoretically are the subject to the same effects. Transformations in the financial situations of households are well reflected by secondary GUS sources – households' budgets. They are the only source of information of such a magnitude, enabling examining the diversification of incomes and expenses and the level and structure in relation with individual values of the social-economical situation of consumers<sup>2</sup>.

Information regarding households can be obtained both from primary sources, and from secondary ones. Nevertheless, in secondary researches, the results of researches of households' budgets deserve special attention, researches that have longstanding history, reaching in Poland the XIX and XX century, and these were only fragmentary researches<sup>3</sup>. The goal that initiated the budgets' researches was capturing the level of life and needs of the lowest society layers, in order to demonstrate the social inequalities. Systematic representational researches have been initiated by GUS after the war since 1973, every certain period changing the methodology of conducted researches. Until 1982 the researches were conducted with the use of the continuous method (yearly continuity of research of the same households). The method of quarterly rotation introduced in 1982 was used until 1992<sup>4</sup> (Podolec, 2000), and then the method of monthly rotation was used in a quarter cycle, which is based on examining a different household every month, and after a quarter an additional interview with every household participating in the research is made. Generally, during a year about 0,3% of the general number of households participates in the research. In this period only four social-economical groups: employees, employees-farmers, farmers, and retirees and pensioners. Taking the transformations in the social structure in Poland into account, since 1993 GUS implemented a new division in the researches of households' budgets and created two new types of households - sub sector of self-employment households (running their own business apart from an individual farmers households), and "other incomes" households. Due to the

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<sup>2</sup> Research of households' budget have a rich tradition and their description is present in numerous compilations quoted in e.g. works of : Sikorska,1979; Kędzior,1992.

<sup>3</sup> In 1889 the Warsaw Statistical Committee began works regarding the conditions of living in the Polish Kingdom. They were single budgets' observation of the families of sugar factories' and metal industry's workers and agrarian families.

<sup>4</sup> The method of monthly rotation in a quarter cycle is based on examining a different household every month, and after a quarter an additional interview is conducted in every household, that participated in the examination. In general during a year about 0,3% of the general number of households is examined.

methodological-organizational changes introduced in 1993 by GUS in the researches of households' budgets, data collected after 1992 is not directly comparable with data from previous periods. On the other hand in 1998 the algorithm of calculating the researches' results was modified, changes in the methodology with the purpose of bringing it to line with EUROSTAT's recommendations were introduced. These changes resulted in the fact, that the results from 1998 also are not directly comparable with data from previous years. Despite these shortcomings regarding the incomplete possibility of conducting absolutely correct comparisons in long time periods, the budgets allow the overview of the changes present in the diversification of consumption patterns realized by households and the relations of the life level with their social and economical position.

Allotted households, both one- and multi-person, participate in the research. The results are based on the experiences of people, who take part in the researches. The source of information is "The book of home budget", "Statistical card of a household", "Information about a household not participating in the research" and "Supplementary information about a household".

The examined households make a collation of incomes and expenses in a specified time period, and in the case of food this collation covers expenses both in the form of money and in the natural form. Thanks to the collation of incomes and expenses the whole of consumption of the examined households is presented, regardless of the source of it's cover, so it is not taken into account, whether the source are purchases made in the market, or is it an own production of the consumer (self-supply), or a grant.

The incomes cover:

- Incomes from work i.e. remuneration, money payments and the value of considerations in nature paid to the employee for his work and payments not included in remunerations, and also remunerations for the work of members of agricultural production co-operations and the helping members of their families along with the income from casual labor.
- Incomes from an individual agricultural holding or an allotment, that are the difference between the sum of incomes and the sum of expenses and investments' costs, carried due to using an agricultural holding or an allotment.
- Incomes from self-employment, to which included is a part of incomes gained from conducting a business activity (aside from using an individual agricultural holding), intended for the needs of a household, house or apartment construction (repairs).
- Social considerations, which cover pensions and annuities, unemployment benefits, family allowances, caring, maternity pays and other allowances, social services' help, alimonies from the Alimony Fund and scholarships.
- Other incomes, covering gifts, alimonies, incomes from capital and other incomes from assets, compensations from insurance companies, winnings in numerical and lottery games, sales of possessed real properties, items etc.

The expenses apply to: food, alcohol, tobacco, clothes and footgear, apartment (up-keep of the apartment and it's equipment), education, health, personal hygiene, culture, sports, tourism and recreation, transport and communications and other expenses, covering the costs transferred to other households (gifts, the costs of accommodation of youth and students learning outside home, alimony), custom-house and stamp duties, insurance premiums and expenses for social aids, penalties, losses and others.

Budgets provide information not only about a household's budget or the level of incomes and expenses of all the members of the examined household, but also the quantitative consumption of the selected products, manning of a household, demographical and social-economical characteristics of people of the household, economical activity of the members of the household, surface of the land used by the household, housing conditions, equipment of the household with durable items and a subjective evaluation of the financial status of the

household.

Table 1: Average monthly available income and expenditures per capita by household groups in years 1993 – 2004 (in zloties)

Households of	Households' income (in zloties)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total	173,6	230,9	300,6	383,4	473,8	522,9	560,4	610,5	644,5	664,2	680,5	735,4
Employees	176,6	234,7	301,3	395,3	486,4	546,4	592,3	657,3	683,1	698,1	729,9	782,3
Employees-farmers	145,4	194,6	260,8	321,4	397,7	419,4	438,4	483,6	509,7	511,1	521,3	542,3
Farmers	157,7	205,2	282,4	343,2	439,3	406,8	411,4	456,0	497,5	571,8	474,3	541,0
Self-employed	218,9	297,7	386,1	487,8	618,3	655,1	483,5	494,9	529,6	546,3	562,9	935,1
Retirees and pensioners	185,7	245,9	319,7	402,4	494,6	523,0	716,0	794,7	808,2	843,2	860,2	779,2
Other incomes	95,3	125,9	155,9	200,4	232,5	299,2	300,7	-	-	-	-	-
Households of	Households' expenditures (in zloties)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total	169,3	218,6	276,3	351,0	427,9	503,0	549,8	599,5	609,7	625,0	643,8	649,7
Employees	168,0	216,9	274,9	355,3	435,6	517,7	573,0	629,3	628,5	641,3	673,2	717,9
Employees-farmers	138,8	183,4	222,9	280,7	352,6	380,4	409,0	467,2	478,7	478,8	484,6	515,5
Farmers	151,5	186,6	234,7	297,8	348,7	369,0	393,6	442,0	458,6	487,2	461,2	507,3
Self-employed	216,4	284,6	359,0	449,0	546,6	633,0	705,1	760,8	762,2	797,6	817,2	854,7
Retirees and pensioners	189,9	244,3	310,8	388,5	469,3	557,8	606,6	636,3	663,1	683,1	697,7	761,4
Other incomes	107,0	134,0	162,0	204,9	249,6	339,6	328,9	-	-	-	-	-

Source: own compilation based on GUS Statistical Yearbooks for the years 1994 - 2005.

A collation of incomes, expenses, quantitative consumption of food and households' equipment into durable goods only in the form of absolute values causes the inability to completely understand the situation of households and to draw wide-ranging conclusions. Thus below, based on the example of incomes and expenses, example meters, that can be used in further analysis and compilations, will be presented. Population's incomes are one of the most important discriminants of the life level<sup>5</sup>. The level of current incomes of households is the main economical factor of shaping the consumption, determining - in a longer period - the upper limit of the expenses' level and co-deciding about the division of the sums spent on fulfilling the particular needs' aggregate. An analysis of money incomes is traditionally the basic element of the diagnosis in the field of the economical condition of households. The size of current money budget of a household, measured with the average monthly income for one person, determines the general frames of the decision field in terms of behaviors of these subjects (Kędzior, Karcz, 1998).

While analyzing the incomes and expenses of households, conducted are at the same time calculations of the ratings of the dynamics, both monomorphic and chain ones. In the case of the monomorphic dynamics' ratings an important issue is the choice of the basic (comparative) period. The basic period should be such a period, in which the effect was at an average, normal level. For the analysis of incomes and expenses of households' in the nineties the basic period, in order to take into account all the types of examined households as well as

<sup>5</sup> Consumers' incomes, despite they are one of the most important factors shaping the behaviors of consumers, are insufficient for complete clarification of their behaviors. It applies especially to, so called high profit, holdings. In western literature economical determinants are not treated separately, though in polish literature of the subject, the economical factors are a separate group, within which the so called internal factors (e.g.: income, level of savings, credits, household's equipment, current consumption level) and external factors are singled out - such as :prices, supply, commercial-service network.

a similar research methodology, is most often year 1993. Similarly important, as it was mentioned, for the conducted analysis are the chain dynamics' ratings.

Table 2: Index of average available income and expenditures by household groups in years 1993-2004 (previous year = 100)

Households of	Available income (previous year = 100)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total	-	133,0	130,2	127,6	123,6	110,4	107,2	108,9	105,6	103,1	102,5	103,3
Employees	-	132,9	128,4	131,2	123,1	112,3	108,4	111,0	103,9	102,2	104,6	102,8
Employees-farmers	-	133,8	134,0	123,2	123,8	105,4	104,5	110,3	105,4	100,3	102,0	103,0
Farmer0073	-	130,1	137,6	121,5	128,0	92,6	101,1	110,8	109,1	114,9	82,9	113,2
Self-employed	-	136,0	129,7	126,3	126,8	105,9	109,3	111,0	101,7	104,3	102,0	104,7
Retirees and pensioners	-	132,4	130,0	125,9	122,9	111,8	107,9	103,5	109,2	103,7	103,0	102,3
Other incomes	-	132,0	123,9	128,5	116,0	128,7	100,5	-	-	-	-	-
Households of	Expenditures (previous year = 100)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total	-	129,1	126,4	127,0	121,9	117,6	109,3	109,0	101,7	102,5	103,0	103,4
Employees	-	129,1	126,7	129,2	122,6	118,8	110,7	109,8	99,9	102,0	105,0	103,0
Employees-farmers	-	132,1	121,6	125,9	125,6	107,9	107,5	114,2	102,5	100,0	101,2	102,5
Farmers	-	123,1	125,8	126,9	117,1	105,8	106,7	112,3	103,8	106,2	94,7	104,7
Self-employed	-	131,5	126,1	125,1	121,7	115,8	111,4	107,9	100,2	104,6	102,5	100,7
Retirees and pensioners	-	128,7	127,2	125,0	120,8	118,9	108,8	104,9	104,2	103,0	102,1	103,0
Other incomes	-	125,2	120,9	126,5	121,8	136,1	96,9	-	-	-	-	-

Source: as in table 1.

The presented calculations may suggest, that the situation of households significantly improved, as in all analyzed years, both the expenses and incomes in the majority of cases constantly grew. Nevertheless the values calculated based on face value, need to be brought to comparability by calculating the actual values based on the calculated dynamics of available incomes (table 2) and price ratings (table 3).

Table 3: Price indices of consumer goods and services by household groups in years 1993-2004 (previous year = 100)

Households of	Price indices of consumer goods and services (previous year = 100)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Employees	135,2	132,4	128,1	119,9	115,3	112,3	107,5	109,9	105,4	102,0	103,7	103,2
Employees-farmers	134,9	131,1	126,7	120,4	114,2	110,7	106,9	110,6	104,9	101,3	101,4	104,0
Farmers	134,2	130,4	126,6	120,7	114,0	110,7	106,8	110,8	104,6	101,3	82,5	104,1
Self-employed	134,4	131,2	127,1	119,3	114,9	112,0	107,5	109,7	105,0	101,8	101,2	103,2
Retirees and pensioners	135,6	133,0	127,8	119,5	114,8	111,5	106,9	110,1	106,0	102,2	102,0	103,8
Other incomes	136,1	132,7	129,2	120,0	114,9	111,8	107,1	110,8	105,7	101,9	100,9	103,9

Source: as in table 1.

Table 4: Index of real income per capita by household groups in years 1993-2004 (previous year = 100)

Households of	Income per capita (previous year = 100)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total	95,6	100,6	101,9	106,4	107,6	105,2	99,8	99,0	100,2	101,1	101,6	104,6
Employees	91,4	100,4	100,2	109,4	106,8	106,1	100,8	101,0	98,6	100,2	103,7	103,9
Employees-farmers	83,3	120,0	105,8	102,3	108,4	102,8	97,8	99,7	100,5	99,0	101,4	100,0
Farmers	-	103,6	102	105,9	110,4	103,6	101,7	101,2	96,9	102,5	101,2	105,3
Self-employed	100,1	99,8	108,7	100,7	112,3	96,9	94,7	100,0	104,3	113,5	82,5	109,6
Retirees and pensioners	108,2	99,5	101,7	105,4	107,1	103,9	100,9	94,0	103,0	101,5	102,0	104,3
Other incomes	-	99,5	95,8	107,1	101,0	117,7	93,8	-	-	-	-	-

Source: as in table 1.

As it follows from table 4 in the nineties the growth of upkeep was not compensated in a sufficient way by the increase of incomes, which had an effect on the increase of inequality of population's incomes. Calculations of so called relative ratings confirm that. These ratings are calculated as a quotient of available incomes of individual households' types and the available incomes in general.

By analyzing the values one may come to a conclusion, that in the nineties an effect of a very clear "incomes' polarization of the polish society" was present, meaning the increase in the disproportion in the field of incomes between individual types of households. Households of self-employed achieved on average 25-30% higher income than the average level, households related with agriculture achieved income about 15-20% lower. In the worst situation are "other incomes" households, where the monthly available income for one person was half as high as incomes in general (table 5). A drop in actual incomes<sup>6</sup> causes the fact, that for an average income one can purchase less goods and services, and the growth inverts this dependence. During the first years of transformation a very high dynamics of goods' and consumer services' prices were noted. In the examined period in the case of majority of groceries, radio-television equipment and home appliances currently a higher buying capacity exists than in the beginning of the transformation period. On the other hand in relation to some charges (electricity, gas, central heating) the situation is reversed.

Table 5: Comparison of an average monthly available income per capita by household groups in years 1993 - 2004 (total = 100)

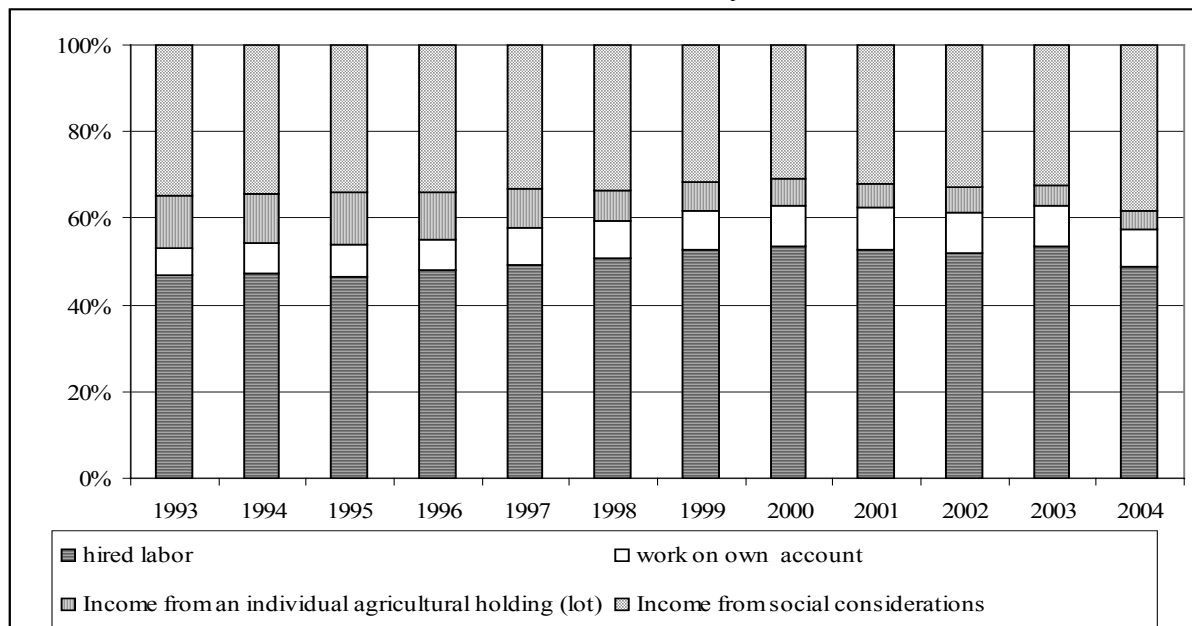
Households of	Average available income (total = 100)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Employees	101,7	101,6	100,2	103,1	102,7	104,5	105,7	107,7	106,0	105,1	107,3	106,4
Employees-farmers	83,7	84,3	86,8	83,8	83,9	80,2	78,2	79,2	79,1	77,0	76,6	73,7
Farmers	90,8	88,8	93,9	89,5	92,7	77,8	73,4	74,7	77,2	86,1	69,7	73,6
Self-employed	126,1	128,9	128,5	127,2	130,5	125,3	127,8	130,2	125,4	127,0	126,4	127,2
Retirees and pensioners	107,0	106,5	106,4	104,9	104,4	105,7	106,4	101,1	104,6	105,2	105,8	106,0
Other incomes	54,9	54,5	51,9	52,3	49,1	57,2	53,7	-	-	-	-	-

Source: as in table 1

<sup>6</sup> In the transformation period the highest growth of prices was in 1990, to systematically decrease in the following years to about 30% in 1993-1995, and then to about 12% in 1998..

An important element in households' incomes analysis are the changes in the structure of available incomes (table 6). In the nineties one can see a gradual growth of incomes from hired labor (employees) and from self-employment in available incomes. On the other hand a decreasing tendency can be seen in the income from an individual agricultural holdings (farmers). A significant change also is the drop in the share of incomes from social considerations as unemployment allowance. This does not certify about the decrease in the amount of unemployed, but it is connected with the fact, that an ever growing number of unemployed lose their rights to the allowance.

Chart 1: Structure of available incomes of households in years 1993-2004.



Source: as in table 1

The other side of households' budgets are the expenses. Expenses' analysis enables, among others, observing the changes taking place in market behaviors of households and measures the actual life level<sup>7</sup>. For this reason most often the ratings of: dynamics, expenses' structure or the so called actual consumption value, are used. The basic issue in an analysis of expenses is determining the changes in the level of expenses. From data in table 1 one can see, that the greatest level of expenses characterizes self-employed group of households, and the lowest is for "other incomes" households. In order to better demonstrate the differences in the level of expenses between various household groups, the expenses of a selected households' group, e.g. employees holdings, are used as a datum point. Assuming the expenses of this social-profession group as 100, one needs to relate the expenses of all the other households to it (table 7).

<sup>7</sup> As it shows from research, respondents often lower their incomes, thus the postulate to use the expenses' category in a broader scope in households' analysis. In researches conducted in the countries of the EU it was shown, that in five of twelve researched, an average income is lower than average expenses, see. A. Hagenaars, K. de Vos, M. A. Zaidi, 1998.

Table 6: Comparison of average expenditures per capita by household groups in years 1993 - 2004 (total = 100)

Households of	Average expenditures per capita (total = 100)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Employees	99,2	99,2	99,5	101,2	101,8	102,9	104,2	105,0	103,1	102,6	104,6	104,1
Employees-farmers	82,0	83,9	80,7	80,0	82,4	75,6	74,4	77,9	78,5	76,6	75,3	74,6
Farmers	89,5	85,3	84,9	84,8	81,5	73,4	71,6	73,7	75,2	78,0	71,6	72,6
Self-employed	127,8	130,2	129,9	127,9	127,7	125,8	128,3	126,9	125,0	127,6	126,9	123,6
Retirees and pensioners	112,2	111,8	112,5	110,7	109,7	110,9	110,3	106,1	108,8	109,3	108,4	107,9
Other incomes	63,2	61,3	58,6	58,4	58,3	67,5	59,8	-	-	-	-	-

Source: as in table 1.

As one may see in table 7, the expenses of self-employed group of households were 1/5 - 1/3 greater than incomes of employees households. The second place is occupied by households of retirees and pensioners. The lowest consumption expenses (about 40% lower) are in the poorest "other incomes" households.

The dynamics of consumption expenses shown in table 2 may suggest a growth of the consumption level, thus one needs to calculate the so called actual consumption value, which shows, whether the expenses have actually increased in comparison to the previous period.

Table 7: Index of real consumption of consumer goods and services per capita by household groups in years 1994-2004

Households of	Index of real consumption of consumer goods and services (previous year = 100)											
	Years											
	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Total	-	97,6	98,8	105,9	105,9	105,2	101,9	99,0	96,5	100,6	101,4	97,7
Employees	-	97,5	98,9	107,8	106,3	105,8	103,0	99,9	94,8	100,0	101,2	103,3
Employees-farmers	-	100,7	96,0	104,6	110,0	97,5	100,6	103,3	97,7	98,7	99,8	102,3
Farmers	-	94,4	99,4	105,1	102,7	95,6	99,9	101,4	99,2	104,9	114,7	105,7
Self-employed	-	100,2	99,2	104,8	105,9	103,4	103,6	98,4	95,4	102,8	101,3	101,4
Retirees and pensioners	-	96,7	99,5	104,6	105,2	106,6	101,8	95,3	98,3	100,8	100,1	105,1
Other incomes	-	94,3	93,6	105,4	106,0	121,7	90,4	-	-	-	-	-

Source: as in table 1.

The changes in the expenses structure are made under the influence of various factors. The nineties and the turn of the century is a period, in which one can observe changes of social-economical conditions of households' functioning, resulting in the necessity to undertake actions of various magnitudes that adjust households, as the result of the diversification of possibilities and abilities to adapt to new rules of functioning of the market economy. This situation had significant effect on modification of the expenses' structure, not once forcing it's adjusting to the actual possibilities resulting from achieved incomes. In 1993 in relation to year 1990 (not presented in the table) all the examined social categories of households were characterized by a growth of actual consumption. In 1994 a decrease in the actual value of expenses in all social-economical groups aside from self employed households is present, and in 1995 it applies to all households. Another decrease in actual incomes, but only in relation to farmers' households, takes place in 1998-1999. Once again a decrease in actual incomes in all the types of households happens in 2001. Global consumption expenses are disposed on individual goals, which is reflected in their structure. The analysis of changes in the structure may indicate relations of households induced by changes of the incomes' level, prices, or



other changes in the market. Expenses' structure is the source of quite good information about social-economical position of households. An often used rating is the participation of expenses related with food in the expenses in total, which in Poland is the most important position in the expenses of individual social-economical groups in the nineties and turn of the century. Share of food in the structure of consumption is above all determined by the main source of incomes and the place of living of the household (city - village). The greatest rate was for "other incomes" households (over 40%), and the lowest for households of self-employed (about 20-35%). Also farmers households had a high share of expenses related with food in the consumption expenses (about 30-40%). An explanation of such a state may be the fact, that along with the growth of food prices the cost-effectiveness of natural consumption decreases in aid of food purchased in the market. A characteristic attribute of the previous decade for households' expenses is the decreasing share of expenses related with food with a simultaneous growth of incomes. It is worth emphasizing, that in the transformation period, where the gradual decreasing of the country budget's share in financing consumption and households' expenses for constant housing charges, education and healthcare grow rapidly - the drop in demand for food does not have to indicate an increase in consumption of goods of the higher order, but a shift of means to other, necessary basic expenses. Thus one may not determine, that in the case of a decreasing share of food expenses with a simultaneous increase of incomes, Engel's law always applied. A growing share of "rigid" expenses (charges for renting an apartment, water, electricity, heat, gas) qualified as the non-food expenses, forced the necessity of limiting the food expenses in many households. Only in the case of self-employed households as well as employees' households working only in the non-worker positions one may say, that the regularity formulated by Engel was confirmed.

### Final remarks

Households' consumption - as a multi-system social-economical effect can be researched from many points of view and with the use of various information sources, though it is recommended not to avoid such an important source of information as GUS households' budgets in the evaluation of the changes taking place in the level and the structure of households' consumption and their empirical verification giving the basis to make conclusions about the consumption behaviors of the society. They are a valuable source of information regarding the processes in households, and especially they regard the size, structure and dynamics of incomes and expenses of households, and thus their financial condition and life level. Monitoring the changes taking place in the sphere of population's incomes and in the level and structure of consumption allows evaluating not only the level of society's lives, but the aggregate of economical and political changes in affecting households. Indicated scales of diversifications in the life level among the individual households' types may be a message for shaping the social and economical policy as well as a transmitter of knowledge of consumers and their financial condition for enterprises and market institutions.

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