



SINGAPORE DEPARTMENT OF STATISTICS

PRESS RELEASE

HOUSEHOLD INCOME IN 2009 LOWER THAN IN 2008 BUT STILL HIGHER THAN IN EARLIER YEARS

1 An Occasional Paper released by the Singapore Department of Statistics today on 'Key Household Income Trends, 2009' shows that household income from work declined in 2009. The decline in household income from work reflected the weaker labour market conditions in 2009, which saw higher unemployment and lower wages.

2 Median monthly household income from work among all *resident* households declined by 1.9 per cent from \$4,950 in 2008 to \$4,850 in 2009. After adjusting for consumer price inflation in 2009, median household income from work saw a decline of 2.5 per cent. While lower when comparing with 2008, which saw a significant growth in income, median household income from work in 2009 was still higher than in earlier years. Similarly for *employed* households (households with at least one working person), median household income from work also declined in 2009.

Decline in Household Income by House Type

3 Among *employed* households, median household income from work was \$1,090 for those in HDB 1- & 2-room flats, \$3,190 for HDB 3-room flats, \$5,560 for HDB 4-room or larger flats, and \$12,500 for private flats, condominiums and private houses in 2009, lower when comparing with 2008.

Average Household Income from Work Per Household Member Decreased Across All Income Groups

4 Among *employed* households, average household income from work per household member declined across all income groups, with households at the upper deciles experiencing the largest decline in nominal terms. The top 3 deciles of *employed* households saw a decline of 2.5 – 3.4 per cent in nominal terms in their average household income from work per household member. The middle 4 deciles experienced a decline of 1.1 – 2.0 per cent in nominal terms while the lowest 3 deciles saw a decline of 0.6 – 1.8 per cent.

Narrowing of Income Distribution Among Employed Households

5 With households at the upper deciles experiencing a larger decline in income per household member, the distribution of income per household member among *employed* households narrowed in 2009. The Gini coefficient, a summary measure of income inequality, declined from 0.481 in 2008 to 0.478 in 2009. This is the second consecutive year Gini coefficient declined.

Effects of Resilience Package and Other Government Schemes

6 The Resilience Package and other government schemes gave a larger boost to the lower income groups. On average, the Resilience Package and other government schemes added an estimated \$2,460 per household member to *resident* households in HDB 1- and 2-room flats and \$1,600 per household member to *resident* households in HDB 3-room flats. This was more than the \$930 per household member for households in private flats and landed properties. After adjusting for government benefits and taxes, the Gini coefficient among employed households was reduced to 0.453 in 2009, as compared to 0.478 before adjustment.

7 The Occasional Paper on “Key Trends in Household Income, 2009” can be downloaded from the Department of Statistics’ website at <http://www.singstat.gov.sg>.

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