



PRESS RELEASE

KEY HOUSEHOLD INCOME TRENDS, 2013

Median Household Income Grew in 2013

1. Median household income from work increased in nominal and real terms in 2013. On average, resident households in HDB 1- & 2-room flats also received more transfers per household member from Government schemes in 2013. These are the key findings from the Singapore Department of Statistics' latest report on "Key Household Income Trends, 2013". The report is available online on the Department's website at <http://www.singstat.gov.sg>.

Median Household Income Grew

2. Among resident employed households¹, median monthly household income from work² increased from \$7,570 in 2012 to \$7,870 in 2013, a 4.0 per cent growth in nominal terms, or 1.6 per cent in real³ terms. Over the last 5 years from 2008 to 2013, the median monthly household income from work of resident employed households rose by 11 per cent in real terms.

3. Taking household size into account, median monthly household income from work per household member increased by 5.6 per cent in nominal terms, or 3.2 per cent in real terms in 2013.

Households in Smaller Types of Dwelling Received More Government Transfers

4. Various Government schemes gave a boost to resident households staying in smaller types of dwelling. Resident households in HDB 1- & 2-room flats received \$8,630 per household member on average from Government schemes in 2013, higher than the \$7,210 given in 2012.

¹ Resident employed households refer to households headed by Singapore Citizens or permanent residents and with at least one working person.

² Household income from work includes employer Central Provident Fund (CPF) contributions.

³ The Consumer Price Index (CPI) is used as a deflator to compute real income changes.

Increase in Real Household Income per Household Member for Almost All Deciles

5. Resident employed households in the first 9 deciles enjoyed nominal and real growth in average household income per household member in 2013⁴. Over the last 5 years, there has been an increase in real incomes across all income deciles.

The Gini Coefficient Decreased in 2013

6. The Gini coefficient⁵ decreased from 0.478 in 2012 to 0.463 in 2013. After adjusting for Government transfers and taxes, the Gini coefficient in 2013 fell from 0.463 to 0.412, reflecting the redistributive effect of Government transfers.

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⁴ In comparing the performance of any particular decile group over time, it is important to note that they may not pertain to the same group of households. For example, an employed household may move down from a higher decile in a particular year due to temporary unemployment of a household member, before moving up the deciles when the member resumes work in the subsequent year.

⁵ The Gini coefficient is a summary measure of income inequality. It is equal to zero in the case of total income equality and to one in the case of total inequality.