



PRESS RELEASE

Key Household Income Trends, 2023

7 February 2024

Median Household Income from Work Grew in Both Nominal and Real Terms

1. Median household income from work grew in both nominal and real terms in 2023, according to the “Key Household Income Trends, 2023” paper released by the Singapore Department of Statistics today.
2. Among resident employed households¹, median monthly household income from work² grew by 7.6 per cent in nominal terms, from \$10,099 in 2022 to \$10,869 in 2023. After adjusting for inflation³, median monthly household income from work rose 2.8 per cent in real terms in 2023. From 2018 to 2023, median monthly household income from work of resident employed households increased 3.1 per cent cumulatively or 0.6 per cent per annum in real terms.
3. Accounting for household size, median monthly household income from work per household member rose from \$3,287 in 2022 to \$3,500 in 2023, an increase of 6.5 per cent in nominal terms or 1.7 per cent in real terms. From 2018 to 2023, median monthly household income per household member grew by 10.5 per cent cumulatively or 2.0 per cent per annum in real terms.

Households in Most Income Deciles⁴ Saw Increases in Real Average Household Income from Work Per Household Member

4. In 2023, the average household income from work per household member among resident employed households increased between 2.5 and 6.8 per cent across the income deciles in nominal terms. While households in most deciles saw increases in their average household income per household member in real terms, those in the 1st, 9th and 10th deciles recorded declines of 1.7, 0.2 and 1.9 per cent respectively.

¹ A resident employed household refers to a household where the household reference person is a Singapore citizen or permanent resident, and with at least one employed person.

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

³ The Consumer Price Index (CPI) for All Items for the relevant household income group is used as the deflator to compute real income changes.

⁴ It should be noted that not all households are consistently in the same decile group from one year to the next. For example, a household may move down from a higher decile in a particular year due to the temporary unemployment of a household member, before moving up the deciles when the member resumes employment in the subsequent year. In comparing the performance of any particular decile group over time, it is therefore relevant to note that the comparison may not pertain to the same group of households.

5. Between 2018 and 2023, the average household income from work per household member of resident employed households in the first nine deciles rose 0.7 to 2.5 per cent per annum in real terms, while that for households in the top decile declined 1.2 per cent per annum.

Households Received More Government Transfers in 2023

6. Resident households (including households with no employed person) received \$6,371 per household member on average from Government schemes in 2023. This was higher than the \$5,859 received in 2022, due to the enhanced and additional transitory support measures rolled out in 2023 to support households during the period of high inflation and to cushion the impact of the increase in GST rate.

7. Resident households staying in HDB 1- & 2-room flats continued to receive the most Government transfers. In 2023, they received \$13,623 per household member on average from Government schemes, close to double the transfers received by resident households staying in HDB 3-room flats.

Household Income Inequality Before Accounting for Government Transfers and Taxes Continued to Fall for the Third Consecutive Year

8. The Gini coefficient⁵ based on household income from work per household member (before Government transfers and taxes) fell to 0.433 in 2023, from 0.437 in 2022.

9. After adjusting for Government transfers and taxes, the Gini coefficient in 2023 fell from 0.433 to 0.371. This reflected the redistributive effect of Government transfers and taxes.

10. The report on “Key Household Income Trends, 2023” is available on the Department of Statistics’ Website at www.singstat.gov.sg.

Singapore Department of Statistics

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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.