PRESS RELEASE

KEY HOUSEHOLD INCOME TRENDS, 2019

Median Household Income from Work Grew in 2019

1. Median household income from work grew in 2019, according to the “Key Household Income Trends, 2019” paper released by the Singapore Department of Statistics today.

2. Among resident employed households, median monthly household income from work grew by 1.4 per cent in nominal terms, from $9,293 in 2018 to $9,425 in 2019, or 1.0 per cent in real terms. Over the last five years, from 2014 to 2019, median monthly household income from work of resident employed households increased by 13.0 per cent cumulatively or 2.5 per cent per annum in real terms.

3. Taking into account household size, median monthly household income from work per household member rose by 4.8 per cent in nominal terms, from $2,792 in 2018 to $2,925 in 2019, or 4.3 per cent in real terms. From 2014 to 2019, median monthly household income per household member grew by 22.2 per cent cumulatively or 4.1 per cent per annum in real terms.

Households in All Income Deciles Saw Real Growth in Average Household Income from Work Per Household Member

4. In 2019, resident employed households in all income groups registered real growth in average household income from work per household member. Households in the 1st - 90th percentile income groups registered real growth of 3.5 to 5.6 per cent, higher than the real growth of 0.4 per cent seen by households in the top 10% income group.

5. Between 2014 and 2019, resident employed households in all income groups experienced real growth in average household income from work per household member. Households in the 1st - 90th percentiles enjoyed real growth

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1 A resident employed household refers to a household headed by a Singapore citizen or permanent resident 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) for All Items 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 work 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.
of 3.9 to 4.5 per cent per annum, while households in the top 10% income group recorded real growth of 2.5 per cent per annum.

**Households in HDB 1- & 2-Room Flats Received More Government Transfers than Other Households**

6. Resident households (including households with no working person) received $4,682 per household member on average from various Government schemes in 2019. Resident households in HDB 1- & 2-room flats received $10,548 per household member on average, which was more than double the transfers received by resident households staying in other dwelling types.

**Household Income Inequality Fell in 2019**

7. The Gini coefficient \(^5\) based on household income from work per household member was 0.452 in 2019, lower than the 0.458 in 2018 and the lowest since 2001\(^6\).

8. After adjusting for Government transfers and taxes, the Gini coefficient in 2019 fell from 0.452 to 0.398. This reflected the redistributive effect of Government transfers.


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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.

\(^6\) The Gini coefficient for this series was 0.442 in 2000 and 0.454 in 2001.