

## **GLOSSARY OF TERMS AND DEFINITIONS**

### **Household and Housing Characteristics**

#### ***Household***

A household refers to a group of two or more persons living together in the same house and sharing common food or other arrangements for essential living. It also includes a person living alone or a person living with others but having his own food arrangements. Although persons may be living in the same house, they may not be members of the same household, e.g. tenant or unrelated person staying at the same address but not sharing common living arrangement.

#### ***Resident Households***

Resident households refer to households headed by Singapore Citizens or Permanent Residents.

#### ***Main Income Earner (MIE)***

The main income earner (MIE) in the household is the household member, excluding maids, who receives the highest income from all sources. When there is a tie between two members, the MIE refers to the older of the two. For a household with no income recipient, the MIE refers to the head of household.

#### ***Head of Household***

The head of household is the person generally acknowledged as such by other members of the household. The head is normally the oldest member, the main income earner, the owner-occupier of the house or the person who manages the affairs of the household. Where the household comprises a group of unrelated persons, the head of household refers to the person who manages the affairs of the household or any responsible person who supplied the information pertaining to the other household members.

#### ***Household Size***

Household size refers to the total number of members in the household, including maids.

### ***Number of Working Persons in Household***

The number of working persons in the household includes members of the same household who were working during the survey reference period. Maids in the household are excluded.

### ***Type of Dwelling***

A dwelling refers to a building or part of a building used or intended to be used by one or more persons as living quarters. Each dwelling has its own separate entrance with direct access to a public road or pathway. A dwelling may be a residential building by itself, or a unit in a residential building, or part of a non-residential building such as a shop or factory with space used as living quarters.

Dwellings are broadly classified into: Housing and Development Board (HDB) flats, condominiums and other apartments, and landed properties.

The Singapore Standard Classification of Type of Dwelling (Jan 2012) is used to classify the type of dwelling.

### ***Household Living Arrangement***

Household living arrangement refers to the classification of a household according to the household composition, age and marital status of household head and age group of the youngest child of the head. There are two broad types of households:

<i>Family-Based Households</i>	This refers to households with at least one family nucleus.
<i>Non-Family-Based Households</i>	This refers to households with no family nucleus.

Within the family-based households, couple-based households refer to those with a married head and spouse in the household. Other family-based households refer to those without a married head and spouse in the household, e.g. lone parent households.

## **Demographic and Socio-Economic Characteristics**

### ***Highest Qualification Attained***

Highest qualification attained refers to the highest grade or standard a person has passed or the highest level where a certificate, diploma, or degree is awarded by an educational or training institution. The Singapore Standard Educational Classification (SSEC) 2015 is used in classifying persons by their highest qualification attained.

### ***Occupation***

Occupation of a working person refers to the kind of work the person was doing during the survey reference period. The Singapore Standard Occupational Classification (SSOC) 2015 is used to classify working persons by occupation.

### ***Household Income from All Sources***

Household income from all sources refers to recurrent and regular income from employment, business, as well as income from investment, rental and other sources such as cash contributions from relatives/friends who are not members of the household, pension and regular government transfers. Irregular receipts or one-off payments such as proceeds from sale of properties, capital gains from trading of stocks and shares, windfalls, non-recurring insurance payouts and lump sum Central Provident Fund (CPF) withdrawals are excluded.

Income received is classified according to the following main sources:

#### ***Employment Income:***

This refers to the income received by working members of the household from employment during the month preceding the survey month, before tax or loan repayment. It includes the basic wage or salary, employer's and employee's CPF contributions, leave allowance and overtime pay, commissions, tips, wage supplements, as well as income in kind provided by the employer, e.g. food, transport and lodging. One-twelfth of the annual bonus as well as regular income received from secondary employment are also included. It excludes income received by maids in the household.

*Business Income:*

This refers to the average monthly receipts or profits a person earns from business, trade or profession, after deducting all operating expenses incurred such as purchases of materials and services, rent for premises or machineries, cost of repair of machineries and fixtures. When a person's income is derived from a partnership, his income refers to his share of the net profit. Also included are the regular incomes received from any secondary business engagements, estimated value of goods (at current retail price) taken from shop or farm for household's own consumption, as well as royalties received.

*Others:*

Rental Income

This refers to the gross monthly rentals received from renting out houses, including subletting of rooms, shops or other fixed assets (e.g. equipment, machinery).

Investment Income

- **Interest:** This refers to monthly interests received or credited for saving/fixed deposits with banks, finance companies, as well as interest received from Government securities. Interests on loans extended to any persons who are not members of the same household are included. Interests earned from the balances in CPF accounts are not included.
  
- **Dividends:** This refers to the average monthly amount of dividends received from stocks and shares, Singapore Saving Bonds (SSB), exchange traded funds (ETF), growth funds and unit trusts in the twelve months preceding the survey period.

Other Sources

- **Contributions:** This refers to the average monthly cash contributions given by any persons who are not members of the same household, e.g. children, relatives and friends staying in another household. It includes alimony or regular money allowance received by the divorcee.
  
- **Pension:** This refers to the monthly payment received by the retired person under the Pensions Act. Gratuity received on retirement in lump sum is excluded.

- *Social Welfare Grants*: This refers to public assistance or regular allowances received by the household or person from the government or charitable organisations. It includes receipts during the survey month in cash or in kind.

- *Bursary, Scholarship and Fellowship*: This refers to the average monthly grants from such awards received by students or persons for studying, training or research in educational institutions, training or research centres.

- *Payouts from Annuities, CPF Retirement Sum Scheme (RSS) and CPF Lifelong Income For the Elderly (CPF LIFE)*: This refers to the annuities payments from private insurance schemes and banks, as well as regular payouts from CPF RSS and CPF LIFE. Lump sum withdrawals from CPF on reaching 55 years are excluded.

- *Regular Payment from Insurance Protection Policies*: This refers to the regular (income loss) compensation payout due to critical illness, disability or other conditions covered by the insurance protection policy. Non-recurring insurance claims and payouts/cash-back from savings and endowment policies are excluded.

- *Regular Government Transfers*: This refers to government transfers given on a regular basis and not tied to any particular expenditure item, e.g. Workfare Income Supplement, Edusave Pupils Fund, Utilities rebates, GST Vouchers.

Besides regular transfers, some government transfers are disbursed on an ad-hoc, irregular basis over a specific period or at specific life stages. Examples include Top-Ups to CPF and Medisave Accounts, Baby Bonus, National Service (NS) Bonus, Senior Citizen Bonus, CPF LIFE Deferment Bonus. Such irregular transfers are excluded from the households' income reported in the HES.

Other transfers that lead to a direct reduction in expenditure incurred by households are reflected as lower expenditure reported by respondents in the HES and not reflected in income. Examples include rebates on Service and Conservancy Charges (S&CC), centre-based infant and childcare subsidies, education subsidies, public rental subsidies, subsidies under the Community Health Assist Scheme (CHAS) and inpatient and outpatient care subsidies under the Pioneer Generation Package.

### ***Income Decile (decile group)***

An income decile group is one tenth of all households arranged by their incomes from minimum to maximum. In the HES, income is ranked by households' monthly income from all sources (excluding imputed rental of owner-occupied accommodation) per household member. The first decile group is the first one-tenth (the 10% of all household with lowest incomes). The last decile is the one-tenth of the households with the highest incomes.

Not all households are consistently in the same decile group from year to year. For example, a household may move down from a higher decile in a particular year due to temporary change in employment status of a household member, before moving up the decile in the subsequent year. In comparing the performance of any particular decile group over time, it is therefore relevant to note that they may not pertain to the same group of households.

### ***Quintile (quintile group)***

A quintile divides the population into five equal groups (from lowest to highest) such that each group represents 20%, or one fifth, of all households.

Income quintile group refers to households as grouped after ranking by their monthly household income from all sources (excluding imputed rental of owner-occupied accommodation) per household member.

Expenditure quintile group refers to households as grouped after ranking by their monthly household expenditure (excluding imputed rental of owner-occupied accommodation) per household member.

As illustrated for “Income Decile”, households may move across different quintiles over time. For comparison of group over time, they may not pertain to the same group of households.

### ***Expenditure***

Expenditure data refer to consumption expenditure incurred by households. Household consumption expenditure is the value of consumer goods and services acquired, used or paid for by a household for the satisfaction of the needs and wants of its members. Non-consumption expenditure such as loan repayments, income taxes, purchase of houses is excluded.

The consumption expenditure on owner-occupied accommodation is estimated using the rental equivalence method, which measures the shelter cost in terms of the expected rental the owner would have to pay if he were a tenant of the premises. It is estimated based on the Annual Assessed Values (AAVs) provided by the Inland Revenue Authority of Singapore (IRAS).

The imputed rental of owner-occupied accommodation is included when analysing the detailed share of household expenditure by goods and services.

### ***Type of Goods and Services***

Expenditure by the type of goods and services are classified according to the Singapore Classification of Individual Consumption according to purpose (S-COICOP). In line with the principles of the United Nations (UN) COICOP, the S-COICOP categorises consumption expenditures according to their primary “functions” or “purposes”. The expenditure items are classified into 13 broad divisions as follows:

- 01 Food & Non-Alcoholic Beverages
- 02 Alcoholic Beverages & Tobacco
- 03 Clothing & Footwear
- 04 Housing & Utilities
- 05 Furnishings, Household Equipment & Routine Household Maintenance
- 06 Health
- 07 Transport
- 08 Communication
- 09 Recreation & Culture
- 10 Educational Services
- 11 Food Serving Services
- 12 Accommodation Services
- 13 Miscellaneous Goods & Services

### ***Availability of Consumer Durables***

Availability of consumer durables includes items available for use by households irrespective of whether the items are rented, owned by households or obtained from other sources, e.g. car provided by the company. Items available only for work purposes are excluded. Items must be in working condition to be considered.

### ***Online Purchase***

Online purchase refers to the purchasing or ordering of goods and services via the Internet, regardless of whether payment was made online and independent of the mode of delivery for the goods or services. Orders placed through email are considered online purchases.