



# Household Income Trends in the Third Quarter of 2019

## 1. Income

- The average monthly household income amounted to 4.877 million won in the third quarter of 2019, which rose by 2.7% from the third quarter of 2018. (At 2015 prices an increase of 2.7% from the third quarter of 2018)

<Table 1> Average monthly income per household

(Unit: 1,000 won, %, year-on-year)

Classification	Amount				Percent change		
	3Q 2018	2Q 2019	3Q 2019	Composition	3Q 2018	2Q 2019	3Q 2019
Income	4,747.9	4,704.2	4,876.9	100.0	4.6	3.8	2.7
Current income	4,704.9	4,683.3	4,861.1	99.7	5.7	4.2	3.3
Employee income	3,206.1	3,169.2	3,361.0	68.9	4.5	4.5	4.8
Self-employment income	925.6	908.5	879.8	18.0	1.1	-1.8	-4.9
Property income*	20.6	24.9	20.1	0.4	9.3	7.0	-2.5
Transfer income	552.7	580.8	600.3	12.3	22.8	13.2	8.6
Non-current income*	43.0	20.8	15.7	0.3	-49.6	-44.6	-63.4
Disposable income	3,682.9	3,684.0	3,738.7	-	0.3	2.7	1.5

\* Pay attention to a high relative standard error (RSE).

## 2. Income by income quintile

- In the third quarter of 2019, the average monthly income of the lowest quintile amounted to 1.374 million won, which grew by 4.3% from the third quarter of 2018. The average monthly income of the highest quintile amounted to 9.80 million won, up 0.7% from the third quarter of 2018.
- The current income of the lowest quintile totaled 1.372 million won, rising by 4.5% compared to the third quarter of 2018.
- As for the lowest quintile, the transfer income and the self-employment income grew by 11.4% and 11.3%, respectively.
- The current income of the highest quintile totaled 9.744 million won, rising by 1.9% compared to the third quarter of 2018.
- As for the highest quintile, the transfer income and the employee income rose by 14.6% and 4.4%, respectively.

&lt;Table 2&gt; Average monthly income per household by income quintile

(Unit: 1,000 won, %, year-on-year)

Classification	3Q 2019					
	Total		Lowest quintile		2nd quintile	
Household size	3.05 persons		2.39 persons		2.83 persons	
Age of household head	53.5 years		64.4 years		53.2 years	
	Amount	Percent change	Amount	Percent change	Amount	Percent change
Income	4,876.9	2.7	1,374.4	4.3	2,982.1	4.9
Current income	4,861.1	3.3	1,371.6	4.5	2,977.2	5.1
Employee income	3,361.0	4.8	447.7	-6.5	1,636.7	1.4
Self-employment income	879.8	-4.9	240.4	11.3	693.5	15.7
Property income	20.1	-2.5	9.8	-25.7	11.9	-19.5
Transfer income	600.3	8.6	673.7	11.4	635.1	5.0
Non-current income	15.7	-63.4	2.8	-42.8	4.9	-50.5
Non-consumption expenditure	1,138.2	6.9	348.7	13.4	618.9	5.7
Disposable income	3,738.7	1.5	1,025.7	1.5	2,363.2	4.7

  

Classification	3Q 2019					
	3rd quintile		4th quintile		Highest quintile	
Household size	3.18 persons		3.39 persons		3.47 persons	
Age of household head	49.9 years		49.4 years		50.6 years	
	Amount	Percent change	Amount	Percent change	Amount	Percent change
Income	4,319.3	4.1	5,903.9	3.7	9,800.2	0.7
Current income	4,315.0	4.4	5,893.8	3.9	9,743.6	1.9
Employee income	2,820.2	5.8	4,272.0	7.7	7,624.3	4.4
Self-employment income	863.7	-0.8	1,060.3	-10.0	1,540.8	-12.6
Property income	21.5	-12.6	16.4	-18.6	40.6	35.3
Transfer income	609.6	6.2	545.2	6.8	538.0	14.6
Non-current income	4.2	-67.1	10.1	-37.6	56.6	-66.9
Non-consumption expenditure	960.9	11.1	1,300.4	5.1	2,461.1	5.7
Disposable income	3,358.4	2.3	4,603.6	3.4	7,339.1	-0.9

### 3. Non-consumption expenditure

- ☐ The average monthly non-consumption expenditure per household recorded 1.138 million won in the third quarter of 2019, which grew by 6.9% from the third quarter of 2018.
- ☐ The regular tax, the interest, the social insurance, the pension and the transfer between households rose by 12.7%, 10.5%, 7.5%, 5.9% and 3.0%, respectively.

&lt;Table 3&gt; Average monthly non-consumption expenditure

(Unit: 1,000 won, %, year-on-year)

Classification	Amount				Percent change		
	3Q 2018	2Q 2019	3Q 2019	Compo- sition	3Q 2018	2Q 2019	3Q 2019
Non-consumption expenditure	1,065.0	1,020.2	1,138.2	100.0	23.3	8.3	6.9
Regular tax	252.5	173.0	284.6	25.0	34.2	10.7	12.7
Non-regular tax*	8.7	6.4	8.0	0.7	-21.8	3.9	-8.1
Pension	152.4	156.7	161.4	14.2	12.6	7.8	5.9
Social insurance	155.0	167.3	166.5	14.6	13.5	7.3	7.5
Interest	107.2	115.7	118.5	10.4	30.9	12.4	10.5
Transfer between households	267.0	276.0	274.9	24.2	35.7	7.1	3.0
Transfer to non-profit institutions	122.3	125.1	124.3	10.9	7.3	6.3	1.6

\* Pay attention to a high relative standard error (RSE).

#### 4. Income by equivalised disposable income quintile

- ☐ The average monthly disposable income of the lowest equivalized disposable income quintile recorded 866 thousand won. In the meantime, the average monthly disposable income of the highest equivalized disposable income quintile recorded 4.653 million won.
- ☐ Compared to the third quarter of 2018, the disposable income of the lowest quintile grew by 4.0%.
  - As for the lowest quintile, the public transfer income and the self-employment income rose by 24.0% and 16.5%, respectively.
  - As for the lowest quintile, the employee income and the private transfer income declined by 6.6% and 1.8%, respectively.
- ☐ Compared to the third quarter of 2018, the disposable income of the highest quintile grew by 1.2%.
  - As for the highest quintile, the private transfer income, the public transfer income and the employee income rose by 22.1%, 14.1% and 3.5%, respectively.
  - As for the highest quintile, the self-employment income declined by 8.9%.

&lt;Table 4&gt; Average monthly income by equivalised disposable income quintile

(Unit: 1,000 won, %, year-on-year)

Classification	3Q 2019					
	Total		Lowest quintile		2nd quintile	
	Amount	Percent change	Amount	Percent change	Amount	Percent change
Disposable income	2,482.8	2.9	866.4	4.0	1,682.8	5.2
Employee income	1,995.0	5.3	368.5	-6.6	1,213.5	7.8
Self-employment income	515.9	-5.4	253.1	16.5	373.1	0.5
Property income*	10.8	1.3	5.0	-24.2	10.8	76.1
Public transfer income	210.5	19.7	265.9	24.0	198.7	18.3
Private transfer income	109.9	-4.2	95.1	-1.8	88.8	-15.6
Public transfer expenditure	360.3	9.6	125.7	25.0	202.1	14.1
Classification	3Q 2019					
	3rd quintile		4th quintile		Highest quintile	
	Amount	Percent change	Amount	Percent change	Amount	Percent change
Disposable income	2,247.9	4.6	2,956.5	2.8	4,653.4	1.2
Employee income	1,737.7	5.4	2,533.8	9.2	4,115.3	3.5
Self-employment income	488.2	1.0	519.0	-15.6	944.6	-8.9
Property income*	5.5	-35.6	6.9	-47.9	25.9	36.6
Public transfer income	200.5	23.0	184.2	18.4	203.3	14.1
Private transfer income	91.2	-15.0	122.9	-12.3	151.3	22.1
Public transfer expenditure	275.1	5.4	410.3	11.7	787.0	6.8

\* Pay attention to a high relative standard error (RSE).

Note 1) Equivalised disposable income:  $\text{Disposable income} / \sqrt{\text{Householdsize}}$ 

· Disposable income = Employee income + Self-employment income + Property income + Transfer income - Public transfer expenditure (regular tax, etc.) (Based on Wave6)

2) Public transfer income: Public pension, basic pension, social benefits, tax refund

3) Public transfer expenditure: Regular tax, pension, social insurance